

3 1761 11895323 1

Government
Publications

Government
Publications



Digitized by the Internet Archive
in 2024 with funding from
University of Toronto

<https://archive.org/details/31761118953231>



Ontario, LEGISLATIVE ASSEMBLY

No. 102

Legislature of Ontario Debates

Official Report (Hansard)



First Session, Thirty-Second Parliament

Thursday, November 19, 1981

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Thursday, November 19, 1981

The House met at 2:02 p.m.

Prayers.

SIMILARITY OF PRIVATE MEMBERS' BILLS

Mr. Kolyn: On a point of order, Mr. Speaker: Will you please look into and report on what the rules and practices of the House have been concerning private members' bills that appear to overlap or duplicate one another in their content?

I draw your attention to remarks made on June 16, on the point of order made by the member for Port Arthur (Mr. Foulds), who questioned whether it was proper for me to introduce a private member's bill that had an element in it already contained in a bill introduced by another private member.

I also draw your attention to the fact that I introduced a totally different private member's bill in October, namely, An Act to safeguard Terminal Operators. On November 17, 1981, the member for Scarborough West (Mr. R. F. Johnston) introduced a similar bill on video display terminal operators. His own deputy House leader, the member for Port Arthur, might question whether it was out of order, given that I had introduced a similar bill.

I just ask you, Mr. Speaker, to look into the situation and report back to the House.

Mr. Speaker: This matter has already been brought to my attention and, in fact, the two bills in contention are quite different. There may be some overlapping in them, but I do not see any reason why both of them should not be introduced.

STATEMENTS BY THE MINISTRY

FEDERAL BUDGET

Hon. F. S. Miller: Mr. Speaker, last Friday I made some preliminary remarks regarding the recent federal budget and promised members I would have some more substantive comments at a later date. I now have had more time to consider the impact of the federal budget proposals and, although there are certain positive features, there are also a number of areas that cause me concern.

Next week, in Halifax, the federal and provincial ministers of finance will be meeting on fiscal arrangements, and it is my intention to raise Ontario's serious concerns on the fiscal arrangements proposals and on several other areas of economic policy outlined in the federal budget.

A primary concern is interest rates. The major stumbling block for sustaining the health of the Canadian economy continues to be high interest rates. They affect all Canadians—businessmen, consumers, farmers and home owners.

I understand that inflation and high interest rates are associated, and in this regard I have applauded the deficit reduction strategy of the federal Minister of Finance. But I still have a major question in my mind: Why must Canadian interest rates continue to be so far above US interest rates? The Minister of Finance should review this matter with his provincial counterparts.

Mr. Mancini: It took you a whole week to come to that conclusion and to make a statement like this? That's ridiculous.

Hon. Miss Stephenson: You couldn't make a statement of any kind, Remo.

Mr. Speaker: Order. Will the minister continue, please?

Hon. F. S. Miller: I am disturbed by the federal government's apparent disregard of its obligation to create a business climate which will encourage the investments needed to ensure Canada's continued prosperity.

Equity in taxation is a sound objective, but it must be pursued with a knowledge of the inevitable dislocations that arise from any widespread changes in the tax system. Therefore, one must question some of the tax changes made by Mr. MacEachen, particularly when uncertainty in the business community is already a major impediment to the decisions needed to get Canada moving again.

Mr. Nixon: Here comes the member for Haldimand-Norfolk (Mr. G. I. Miller).

[Applause.]

Mr. Speaker: Order.

Hon. F. S. Miller: Mr. Speaker, the applause

the member just got is an indication of the respect the Liberals have for the name Miller.

Mr. Speaker: Having said that, you will now proceed.

Hon. F. S. Miller: Mr. MacEachen has made some moves that will improve our investment climate; for example, the deferral of earlier Foreign Investment Review Agency proposals, the reduction in high marginal personal income tax rates and the long-term policy commitment to fight inflation via control of the deficit. This week I was pleased that he recognized the unfair manner in which his budget affected multiple-unit residential buildings. I trust this shows a sensitivity to investor concerns and their effect on the economy.

But I also stress that, with uncertain economic prospects worldwide and with increasing tax competition between industrial countries, maintaining business confidence is an important objective. It must be nourished with on going discussions between governments and investors rather than being shocked by major changes with unintentional adverse effects. I am continuing to study the potential adverse impact of the proposed changes in corporate and personal taxation.

The lack of explicit economic development policies is a major deficiency of the federal budget, yet one of the main reasons that genuine, new, economic development initiatives are needed in Canada is the federal government's energy policies. For example, new petroleum price increases above those originally set out in the national energy program will increase the drain from the Ontario economy by \$11 billion over the period 1981 to 1986. On the basis of 1981 costs, we calculate that the average Ontario consumer will cumulatively pay more than \$5,000 extra for home heating oil and gasoline alone between 1982 and 1986.

Who will benefit from the increased oil prices? One very large beneficiary will be the federal government. As a result of the new pricing agreements, between 1981 and 1986 the budget shows the federal coffers will be enriched by at least an additional \$7.5 billion over the original NEP projections.

Mr. Sargent: Tell it like it is. Tell the truth.

Hon. F. S. Miller: I always tell the truth, even in my friend's riding.

Altogether, the federal government will collect a staggering \$53.6 billion in energy revenues over the period 1981 to 1986.

From a fiscal standpoint, we in Ontario

support the principle of increased energy revenues to the federal government. However, we question the priorities implicit in federal expenditure plans.

For some time I have been calling for new federal programs to facilitate the adjustment of Canada's economy to increased international competition and higher energy prices. But a look at federal expenditure plans reveals that industrial development does not have a high enough priority. Expenditure in the economic development envelope will grow by less than the projected annual growth in the gross national product over the medium term. The envelope's share of the total federal expenditure grows only marginally over the period, and this in a time of major industrial adjustment.

2:10 p.m.

The economic development document released with the federal budget contains no significant new programs; instead, it provides generalities and a repackaging of existing policies. There are no policies or programs directed at basic manufacturing, such as autos or appliances, where so many jobs are on the line. There are no policies directed towards the difficulties currently being experienced in the aircraft industry, clearly a sector vital to Canada's future development.

There is much discussion of the development potential of high-technology sectors, but there are no new programs directed specifically at high-technology industries or research and development in general. There is no indication of possible joint participation, for example, in Ontario's development initiatives outlined by the Board of Industrial Leadership and Development, despite much vague and friendly discussion in the federal budget about the need for co-operation with the provinces.

Altogether, the federal government's economic development program is grossly inadequate to meet the kind of industrial transformation that is currently taking place in Canada and particularly in Ontario.

Finally, of course, discussion of the fiscal arrangements is of vital importance. Mr. MacEachen's budget reduces transfers to Ontario by more than \$600 million in the next two years. Unless he can be persuaded otherwise, Ontario will have to make up this amount by some combination of cuts in provincial programs, increases in provincial taxes and user fees, and increases in the deficit.

The federal budget also states that during the coming year an attempt will be made to

formulate more specific and enforceable conditions and standards for health care programs, which may increase the financing requirements of the provinces.

The federal government serves notice that it wishes to review all arrangements in respect of post-secondary education and manpower training, under the threat of withholding significant established program funding starting in 1983. In Ontario alone, this threat would amount to a total loss of a further \$1 billion by 1987.

Ontario cannot accept a proposal whereby the provinces are asked to renegotiate the fiscal arrangements for the next five years with only the first year on the negotiating table. Added to all this, the federal budget does nothing to address the problem of widening fiscal disparities between oil-producing and oil-importing provinces.

In his actions concerning multiple-unit residential buildings, Mr. MacEachen has already indicated an ability to be flexible when faced with overwhelming evidence of the inappropriateness of his policies, and I look forward to early evidence in Halifax of his willingness to extend this ability into our negotiations on federal-provincial arrangements.

LIQUID INDUSTRIAL WASTE

Hon. Mr. Norton: Mr. Speaker, I am sure the honourable members of the House are aware of the decision of the Ontario Waste Management Corporation, announced yesterday by the chairman, Dr. Donald Chant, to reject South Cayuga as a site for the proposed industrial waste management facility.

I emphasize to members that I endorse this decision and, in fact, I congratulate Dr. Chant and the board of directors of the corporation for their quick resolution of the situation when all the evidence was in.

An hon. member: You should also congratulate the member for Haldimand-Norfolk.

Interjections.

Mr. Speaker: Order.

Hon. Mr. Norton: This certainly justifies the confidence my predecessor, Dr. Harry Parrott, placed in the corporation and in the process when he announced the government's intentions almost a year ago. It also reflects the confidence and trust I invested in the board of directors last June when I introduced the legislation establishing the corporation and setting out its mandate to find a suitable and safe

site, and then to develop and manage a central facility for the treatment and disposal of industrial waste.

Mr. Smith: Hydrogeologists in reality made the decision. The place was flooded during the campaign.

Hon. Miss Stephenson: The Leader of the Opposition should have listened to Dr. Chant this morning.

Mr. Smith: Everybody except the Minister of Education knew about it. She should have known about it.

Hon. Miss Stephenson: You sure know about gas, Stuart.

Mr. Speaker: Will the Leader of the Opposition and the Minister of Education please refrain?

Hon. Mr. Norton: Mr. Speaker, the legislation gave the corporation full authority to proceed with development provided the choice of the site proved environmentally sound through the process of public hearings which the government required. It also provided full authority to reject the site.

As I said at the time I introduced the legislation, our intention was to provide maximum safeguards to ensure that the industrial waste management facilities required by the province would be developed with complete regard for public health and environmental safety.

From the outset, we have made it clear that it was the government's intention to proceed with detailed study and hearings on the proposed site, following preliminary studies by a consultant.

We made a commitment that there would be a thorough geotechnical survey of the area, that local residents would be informed on every aspect of safety and that the findings of the consultants conducting the survey would be made public. I am pleased to report that the corporation has met these commitments and met them well.

The detailed studies conducted by the corporation have established that the potential drawbacks to environmentally safe development of that site are significant enough to disqualify it as a possible site for reasons of environmental safety.

The key factors identified in Dr. Chant's announcement were these: (1) the restriction of usable area, which would limit both the flexibility of operation and the lifespan of the site; (2) the confirmed existence of glacial deposits, or

drumlins, in spots which could permit leachate of contaminants to bedrock and ground waters; (3) the potential hazard of unrecorded gas wells on the site.

Two of these factors were identified in our preliminary work, and I am advised by technical staff that they were within engineering capability to deal with. The presence of drumlins was determined only after the corporation was able to undertake the necessary detailed work. With this previously unknown factor, it was the opinion of the technical experts that this combination of obstacles meant that necessary safety margins for a facility of required size could not be adequately met.

Based on the recommendations of its consultants, the corporation decided, quite properly, that this site is unsuitable and should be rejected.

The government's objective has been made clear from the outset. We intend to establish a world-class facility that will safely and efficiently treat and dispose of the liquid industrial wastes generated within this province. We decided this would be developed and operated by a crown corporation to ensure that it would be done with full regard for the protection of public health and safety.

My prime concern and that of the corporation is public health and safety. The minute any legitimate doubts appear, there is, to my mind, no alternative but to reject the site. The decision on South Cayuga was made immediately by the corporation, without further study and without need to complete the hearing process established to ensure a properly located and designed facility.

Dr. Chant has advised me that the corporation will now proceed, in accordance with its mandate from the government, to investigate alternatives and to identify, to test, and then to establish a new site. This will, of course, be subject to the same intensive environmental studies and thorough hearing process proposed for the Cayuga site.

I was asked yesterday how long it now will take to find and develop Ontario's sophisticated waste treatment facility, in view of the urgency we all recognize. I cannot speculate on the time it will take to meet this challenge. The identification and proving of the safest and best possible site is my only acceptable measure of time. I will not sacrifice safety to take a shortcut in the name of expediency.

Dr. Chant has indicated that the legislation, under which the corporation and the hearing

panel are proceeding, provides a satisfactory framework for the achievement of our objectives. This decision has shown us that the corporation and the legislation have served the public interest well in South Cayuga.

I am impressed by the speed with which this decision was reached. I believe that the action of the directors of the corporation shows that our process operates on a practical level as effectively as we had hoped and that real progress has been made towards the development of suitable waste facilities.

I believe real progress has been made, as I have indicated, and we will continue to move towards the achievement of the goals.

It was less than a year ago that the government announced its intention to investigate South Cayuga as a priority site and then to establish the corporation and the hearing panel to spearhead and to monitor development. Today the corporation is in place, with the full legal authority it requires. The corporation has effective senior management and a capable staff at work.

Mr. Smith: Having wasted a year, having not looked at alternatives for a year. You wasted a full year on an urgent matter so you could get rid of White's elephant.

Hon. Mr. Norton: The Leader of the Opposition should ask a question in question period if he is really interested in knowing the truth of it. I say to him not to start his bloody nonsense with me.

We have established a hearing panel to conduct public hearings on proposals, and it has worked out the frame of reference and procedures that will be applied to any proposed site advanced for future consideration.

Finally, the corporation has commissioned key studies, received the reports and made a sound decision on the results.

The residents of South Cayuga made a considerable contribution to this process of decision. They worked effectively to bring forward information on the nature and history of their land which was valuable to the corporation and its consultants in framing a position.

2:20 p.m.

I assure those residents that their contributions are appreciated and that the upset and inconveniences to the community are recognized. I cannot state at this moment the precise commitments and obligations we may have in the community, but I assure the members that all commitments will be met.

One of the highlights of my day yesterday during the press conference was the remark made by the member for Haldimand-Norfolk, who said this decision had restored his confidence in the process. I trust other members of his caucus and this House will share that confidence and recognize that this government, when it makes a commitment, maintains it. We will continue to live up to our word and the assurances we give to the people of this province.

USE OF FRENCH LANGUAGE IN COURTS

Hon. Mr. McMurtry: Mr. Speaker, I rise today to announce that we have reached a new milestone in our commitment to securing the right to use the French language before the courts of our province.

Building on the solid foundation this Legislature enacted in 1978, the right to the use of the French language will be assured in civil trials in designated areas of the province as of April 1, 1982. These are the areas of greatest concentration of the French-speaking population in Ontario.

Pursuant to the provisions of section 130 of the Judicature Act, designations will take effect at that time of the county and district courts and the surrogate courts in the district of Algoma, the district of Cochrane, the county of Essex, the judicial district of Niagara South, the district of Nipissing, the judicial district of Ottawa-Carleton, the united counties of Prescott and Russell, the united counties of Stormont, Dundas and Glengarry, the district of Sudbury and the district of Timiskaming.

The provincial courts, family division, and the provincial offences courts will be designated as well for trials in each location of these areas.

In addition, this range of services will also be extended to the county of Renfrew and to the judicial district of York. The Supreme Court of Ontario will be designated for hearings in the judicial district of Ottawa-Carleton and the united counties of Prescott and Russell and the judicial district of York. It will therefore be possible to be heard in the French language at any level of court for any subject matter right in our provincial capital of Toronto.

With these developments, a broad range of court services in the French language from matters under the Highway Traffic Act to divorce proceedings will be available to about 83 per cent of Franco-Ontarians. This is in addition to the provisions of the Criminal Code,

by which access to bilingual criminal trials has been available since December 31, 1979, to 100 per cent of the Franco-Ontarian population.

With respect to wills in the French language, in co-operation with my colleague the Minister for Consumer and Commercial Relations (Mr. Walker), a system will be established and put into effect December 15, 1981, for the translation of such wills when they are to be registered on title. This measure will remove any impediment there may have been to a testator wishing to make his last will and testament in French.

To facilitate the work of those involved before the courts in the French language, my ministry has published a handbook of English-French legal terminology. This is the first such document produced by any government in Canada.

In addition, members may recall that in August the government announced a \$300,000 grant over three years to l'Association des juristes d'expression française de l'Ontario. These funds are being used to develop other legal tools to assist French-language legal practitioners. Officials of my ministry are working closely with members of the association to make certain the French-language services programs of the ministry are working effectively.

I also wish to take this opportunity to thank the judiciary in Ontario from whom we have received great co-operation in the implementation and the further implementation of these services.

As I stated at the outset, these developments are truly historic in the enhancement of French-language rights in Ontario. I have appreciated the co-operation received from all sides of the House for these matters, which we have always strived to deal with in a nonpartisan way. These measures will also convey our fundamental commitment to reflect the duality of our nation.

Hon. F. S. Miller: Mr. Speaker, copies of my statements are just going over since I was not sure I had the time to stand up today. Shall I wait until they have arrived or may I start?

Mr. Speaker: Proceed.

REPORT ON BILD

Hon. F. S. Miller: Mr. Speaker, since it was just a year ago last week that I announced the formation of the Board of Industrial Leadership and Development, I believe it is timely to table before the House today a summary of BILD's accomplishments to date. As the honourable members know, BILD is a cabinet committee charged with the responsibility to design and

implement an economic development strategy for Ontario. At this time, I wish to summarize briefly for the members the key progress that BILD has made in the past year.

The first three months of BILD's existence were devoted to formulating a detailed economic action plan which the Premier (Mr. Davis) then released on January 27, 1981. The plan outlined a series of 76 projects involving an investment over five years of \$1.5 billion. As Treasurer, I pledged 50 per cent of that amount in the form of new money, with the balance to come from redirection of internal priorities within the government, from the private sector and from other levels of government.

In the nine months since January 27, BILD has approved program funding commitments which now total \$614 million over five years. For this fiscal year, the approved projects will result in the disbursement of about \$145 million of BILD funds. This government funding has already generated an additional investment commitment of \$275 million from the private sector and other levels of government.

The response of the federal government to our invitation to participate in a number of initiatives has been disappointing. Last January, the Premier wrote directly to the Prime Minister, outlining our interest in pursuing 10 specific economic development initiatives and inviting federal participation. The initiatives outlined were subsequently included in BILD's detailed action plan, Building Ontario in the 1980s.

Despite repeated efforts by the province to secure a real commitment from the federal government, I regret that to date we have not received the kind of participation we have been seeking. The budget released last week demonstrated once again that the federal government is unable or unwilling to move beyond generalities when dealing with key economic development initiatives important to our future.

The Ontario government, however, has demonstrated through BILD its capacity to turn strategy into action. All in all, BILD has approved and announced 45 projects designed to stimulate and develop the economy of our province. The paper which I am tabling today contains many specific examples of projects already beginning to enrich the economic life of Ontario. These have been announced over the past nine months by myself and my colleagues and do not require further elaboration from me at this time.

It is important to stress that in the past year the Board of Industrial Leadership and Development

has defined Ontario's economic goals for the 1980s and devised an action plan that co-ordinates and consolidates the government's economic development effort.

Mr. Wildman: Mr. Speaker, on a point of privilege: I draw your attention to question 186 on page 22 of the Order Paper, in which I asked for the very information the minister now is providing the House. An interim answer was tabled on November 16 stating that the information would not be available until December 18. Will the minister provide an explanation for what is happening here this afternoon?

Mr. Speaker: Will the minister proceed, please?

Hon. F. S. Miller: Mr. Speaker, I repeat, it is important to stress that in the past year the Board of Industrial Leadership and Development has defined Ontario's economic goals for the 1980s and devised an action plan that co-ordinates and consolidates the government's economic development effort. More than that, BILD has moved decisively to implement this comprehensive investment strategy, which is already beginning to generate returns to the citizens of Ontario. Most important, that process does not end here: it has only just begun.

2:30 p.m.

McMICHAEL CANADIAN COLLECTION

Hon. Mr. Baetz: Mr. Speaker, during the last several days there have been a number of things said about the McMichael Canadian Collection that concern me deeply. I wish to address some of them here and now.

No one appreciates more than the McMichael board and the government the unique treasure that is the McMichael Canadian Collection. In that spirit, I want to state here categorically that the character of the collection will not change, period.

The wonderfully rustic nature of the gallery buildings and the surrounding grounds will not be changed as we work to make sure that the buildings are safe for people to visit, properly equipped to preserve the paintings and properly ramped so that disabled people can get in. That will be done.

I also want to stress here that the board and the government will continue to honour all the terms and conditions under which gifts have been given to the collection over the years. Neither the board nor the government has ever intended in any way to break faith with donors

by disposing of their gifts against their wishes. The intention has not existed, it does not exist, it will not exist, period.

Finally, I want to state categorically that the board and the government will continue to live up to the spirit of its 1965 agreement with the McMichaels, just as it has in the last eight years, during which the 1972 act has governed the affairs of the collection. That commitment will be clear when the proposed new legislation is introduced.

Second, let me say that I absolutely resent the suggestion that I have not answered honestly and directly questions put to me about Mr. McMichael.

Last Monday, the Leader of the Opposition (Mr. Smith) asked me why I had asked Robert McMichael to resign as director of the collection following "certain allegations." He also asked me if I regretted having asked for that resignation "so quickly." I replied that "at no time and in no place did I ever ask for Mr. McMichael's resignation."

On Tuesday, the Leader of the Opposition read into the record a portion of a press report which quoted Mr. McMichael as saying I had not been truthful in that reply. Given this accusation, let me put before this House information that I hope will clarify the record once and for all.

The events leading up to Mr. McMichael's resignation must be seen in the context of a number of years and not in the context of a brief conversation I am alleged to have had.

When the McMichael Canadian Collection first opened as a crown enterprise in 1965, it involved 179 works of art. During the succeeding 16 years, thanks to the collection's great public attractiveness and Mr. McMichael's tireless initiative, the size of the collection has increased more than tenfold.

Although the collection would never have come into being without the McMichaels, I think it is important to note here that this growth was nurtured by many benefactors, including the people of Ontario through their government.

The late Colonel R. S. McLaughlin and his family as well as Dr. and Mrs. Max Stern and hundreds of others contributed millions and millions of dollars to the collection.

The general public has contributed millions more. In fact, at this point in time the general public's investment runs to 67 per cent of the value of the collection, and the investment of all donors other than the McMichaels runs to 28 per cent.

In any event, the collection's explosive growth had a profound impact on the nature of the operation. What had started as family philanthropy had evolved into a major public gallery that clearly needed professional management. In recognition of this need, the board of the collection commissioned a management study by the Woods Gordon consulting firm in 1978.

Woods Gordon reported there was confusion among collection staff about who was responsible to whom and who was responsible for what. They observed that there were no budgeting guidelines for department heads and no formal personnel policies. They also observed that there were no formal procedures for receiving, controlling or cataloguing works of art, all of which are essential to a major public gallery receiving donations.

The consultants recommended the appointment of an administrative director, and that was done in 1979.

In 1980, Mr. McMichael proposed an addition to the gallery. The board decided to look at all of the collection's capital and managerial requirements, and it subsequently commissioned Klein and Sears Architects, in collaboration with David Scott Consultants Limited, to conduct that study.

This study, which is public, was submitted to the board in May 1980. Once again, it identified some serious management concerns. Specifically, it questioned provisions for the safety of school children and other members of the public, the staff and the security of the collection. It also stated that environmental conditions were far below acceptable standards for a major gallery.

The consultants stressed the appointment of—

Mr. Speaker: The time for ministerial statements has expired.

Mr. Smith: Mr. Speaker, on a point of order: We are willing to give consent for this statement to be finished, because the minister is in the middle of saying something about Mr. McMichael, and it seems to me the record had better be complete to see what he is going to say about the gentleman.

Mr. Speaker: Is there unanimous agreement? Agreed to.

Hon. Mr. Baetz: Thank you.

Once again the study identified some serious management concerns. It also stated that environmental conditions were far below acceptable standards for a major gallery. The consul-

tants stressed that the appointment of an administrative director had been a useful transitional step but that it could serve only as a temporary solution. Ultimately, it concluded, if the collection were not to falter it needed as a chief executive officer a professional curator who was an accomplished manager.

As a member of the board of trustees, Mr. McMichael was involved in the discussions leading up to the commissioning of the consulting studies and in reviewing their conclusions. Together with the board, Mr. McMichael recognized that as chief executive officer he was being criticized severely by reputable, independent observers. Collectively, the consulting reports led him and the board to recognize the time had come for him to withdraw from day-to-day management and devote his considerable talents to promoting the collection.

Even though it was clear the ultimate management decisions would be made by the board, during this time Mr. McMichael also discussed these matters with me and my then deputy minister. It was in this spirit of looking at the future that Mr. McMichael wrote the chairman of the collection, Mr. J. Allyn Taylor, on August 19, 1980. I want to read this letter into the record because I feel it reflects explicitly and eloquently the events attendant upon Mr. McMichael's decision to withdraw from day-to-day management.

The letter reads as follows:

"Dear Mr. Taylor: "For some considerable time you and I have discussed the desirability of my stepping aside from the heavy responsibility of director and chief executive of the collection in order to effect a smooth and satisfactory transition of management. The enormous growth to its present stature with the second-largest attendance of any art gallery in Canada demands that it have a highly qualified professional administrator as director and chief executive.

"I have recently discussed this with the Hon. Reuben Baetz and with the Deputy Minister, Dr. Douglas Wright. Both feel much the same as you do, that I should within the next few months step aside as chief executive to assume the honorary title of founder, director-emeritus and I should have a meaningful working position at a modest salary dealing with such areas as aesthetics, fund-raising, donations, acquisition of works of art and certain public relations functions. It is understood that a detailed job description will be prepared for this position. It will also be necessary that a detailed job description for a new executive director be

prepared making it clear that that person is the most senior person and is in charge of all administration.

"I will step out of my position as soon as a person satisfactory to you, the board of trustees and the minister can be found. I hope and believe that this will be achieved within a few months at the longest. If the search for a satisfactory person requires a longer period than year-end you may wish to place someone other than me in this position as an interim measure. I consider my remaining in this position to be only on a temporary basis.

"I assure you that Signe and I as trustees will give all possible help and co-operation that you and the board may wish, to help find the person and to expedite an orderly transition of responsibility and authority to the new chief executive.

"Signe and I wish to express our sincere thanks to you as chairman, members of the board, the government of Ontario and the countless Canadians without whose help the creation and success of this unique institution would not have been possible.

"With deepest respect, I remain, yours sincerely, Robert McMichael."

As the honourable members can see, this letter is a constructive one. Everything in its sense and substance demonstrates that Mr. McMichael saw the need for the changes that were to take place and agreed with them. Conversely, nothing in its sense and substance indicates that he was asked to resign precipitously by the minister on the basis of some allegations. It was several months later—October 2, 1980, to be precise—that Mr. McMichael tendered his formal letter of resignation. Five days after that he approved the job description for his new position as founder, director-emeritus.

It is important to note here that the chairman insisted he study this description for several days to make sure he was comfortable with it. He approved the description as it was originally written. It was only after all this that the search for a new director began. Mr. McMichael continued to serve as director until June 30, 1981, when Michael Bell, one of Canada's most respected curators, took over as director and chief executive officer.

In the broadest sense, then, this orderly transition took place over three years. It was based on much professional study and a tremendous amount of careful attention from the outstanding and dedicated board of the collection, which is responsible for it. It was categori-

cally not based, as the Leader of the Opposition has suggested, on any snap judgements by the minister.

2:40 p.m.

As I have said, the transition has been a very orderly one. The legislation I will be introducing in the next few days will, of course, be part of that process. I look forward to discussing it with the honourable members. In the meantime, let me re-emphasize that it will not alter the character of the collection or the buildings. In fact, I would invite my honourable friends, and members of the press as well, to come out to the collection with me and see for themselves firsthand what we are doing out there and why.

ORAL QUESTIONS

McMICHAEL CANADIAN COLLECTION

Mr. Smith: Mr. Speaker, I have a question of the Minister of Culture and Recreation. The minister suggests that somehow or other because the letter he has just read into the record—a letter of which I have a copy—does not start with the words, “Much to my horror and surprise, the minister has asked for my resignation,” but simply offers the resignation, that means the resignation was never asked for. Would the minister recognize the foolishness of his assertion, of coming into this House and presenting a letter of resignation and saying the fact that it exists means the resignation was not asked for? That cannot conceivably convince anybody of the truth of what he is saying.

Would the minister explain why Mr. McMichael would say plainly that he was called into the minister's office; that he was asked for his resignation; that there was a previous letter of August 8, 1980 sent to Mr. Taylor, talking about the allegations that were made and offering a resignation of sorts; that he was told that letter was not good enough; that he then had to produce the letter of August 19, which the minister has just read into the record; that he was told that was not good enough and was hounded by Mr. Taylor for the rest of the summer until someone else dictated a letter of resignation for him, which he then signed later on that year?

Given that sequence of events, why does the minister not come clean and explain to us why he misled this House originally by saying he did not ask for the resignation? Why does he say the collection will be intact and the spirit will be recognized when the draft legislation says the entire agreement will be rendered null and void?

Mr. Speaker: Order. Would the Leader of the Opposition like to reconsider what he has said and withdraw that allegation?

Mr. Smith: What allegation? What are you talking about? What I have said is absolutely accurate.

Mr. Speaker: You accused the minister of misleading the House.

Mr. Smith: That is what he did, but I will withdraw the word “misled” and simply say misinformed the House.

Mr. Speaker: Thank you.

Mr. Smith: Now will the minister answer the question?

Hon. Mr. Baetz: I thought, Mr. Speaker, I had answered the question in the last 15 or 20 minutes in my statement. I would submit it is only a sickly, cynical view of the world that would read into each development over three years the kind of things the member is seeing. What transpired over these three years is exactly what I have pointed out here. The member suggests that Mr. Taylor, who is a very prominent Canadian and a long-time chairman of the board and who has done outstanding service as a volunteer, was trying to force Mr. McMichael into an unwilling resignation, and I think he should apologize for that.

Mr. Smith: Supplementary, Mr. Speaker: Since Mr. Taylor was passing on to Mr. McMichael only the message, and was himself being hounded by the minister to get a more definite resignation, since that is the message Mr. Taylor was handing on, no aspersion is being cast on Mr. Taylor but on the minister himself. The minister does not recognize this. He continues to misinform this House. He will not stand up and come clean as to what happened. And he still has not explained to us why, if he wants to honour the agreement, he is bringing in a piece of draft legislation to render it null and void.

Hon. Mr. Baetz: Mr. Speaker, the member keeps talking about some draft legislation he presumably has. The only piece of draft legislation—that is, the final draft—is sitting on my desk and he has not seen it. How can he stand there and argue as to what will be in the draft legislation? It is ridiculous.

Mr. Laughren: Supplementary, Mr. Speaker: The original collection was donated by the McMichaels, who also donated their own home. Why does the minister insist on giving the impression the contribution of the McMichaels

has somehow been diluted by the infusion of public funds over the years, when that is simply not true?

Why does the minister not make a commitment here and now that the 1965 agreement will not be reneged on? That is what the minister is doing. Will he assure the House that Mr. McMichael, from this point on, will be dealt with fairly and equitably and the whole matter will be referred to a standing committee of this Legislature so that we can all have a look at it?

Hon. Mr. Baetz: Mr. Speaker, I think I said categorically in my statement—I do not know if the members hear over there—that the spirit of the agreement of 1965 and the legislation of 1970 will be honoured.

Mr. Laughren: How about the letter of agreement?

Mr. Speaker: Order.

Hon. Mr. Baetz: That is a categorical statement. How often do I have to say this?

Mr. Laughren: Do not renege on it.

Hon. Mr. Baetz: Who is reneging?

Mr. Smith: Final supplementary, Mr. Speaker: Will the minister tell us how often and when he telephoned Mr. Taylor, asking to obtain a definite resignation from Mr. McMichael. Will he give us that information?

Will he also tell us exactly when he will bring in his definitive bill, which I gather is going to be different from the draft that has been circulating. Will he express a view concerning the fact that the board is apparently being called to have a meeting tomorrow in Toronto but that the McMichaels, who are members of the board, have not been invited?

Hon. Mr. Baetz: I never telephoned Mr. Taylor suggesting he get some kind of a definite resignation. I did not talk about that at all to him. If the honourable member does not believe me, perhaps he could check with Mr. Taylor—

Mr. Smith: Someone in his office did.

Hon. Mr. Baetz: Nobody did.

I can understand if the member has this cynical view of the world that is exactly how he would see this thing develop. The whole development was an orderly, sensible, rational, humane transition from the director of the gallery to the founder, director-emeritus.

Mr. Smith: He did not comment on any of the other parts of the question—the meeting without the McMichaels. He has no comment on that?

Hon. Mr. Baetz: As I understand it, the meeting tomorrow is not a meeting of the board of directors. I may be corrected on that, I do not know. I am not informed every time the board of directors meets. After all the board is running the operation and at an arm's length, so I am not informed of every meeting they have. I have the impression that tomorrow it is not a full board meeting, but I may be mistaken. I will provide the Leader of the Opposition with more precise information on that question later in the question period.

Mr. Smith: Mr. Speaker, just to clarify the record, the meeting is not a meeting of the full board. The McMichaels are being left out. Apart from that it is the full board and it is being called an unofficial meeting. I thought I might inform the minister as to what is happening in his own ministry on his hottest issue.

Mr. Breithaupt: Somebody has to.

RESIDENTIAL TENANCY COMMISSION APPOINTMENTS

Mr. Smith: Mr. Speaker, I have a new question for the Minister of Consumer and Commercial Relations: The normal process for hiring commissioners to the Residential Tenancy Commission involves four basic steps. They are: advertising in the local press; receiving resumes from applicants; judging qualifications with a view to finding people with financial capabilities such as a chartered accountant degree, or something of the sort; and choosing the most qualified persons. How is it that Mrs. Pauline Browes, the campaign manager for the Provincial Secretary for Social Development (Mrs. Birch) during the last election campaign, and Mr. William Clarke, a worker in the 1981 election campaign for the member for Durham East (Mr. Cureatz), should have been hired directly by the minister without going through the normal procedure?

Hon. Mr. Walker: These are very qualified people. They were recommended to cabinet and cabinet saw fit to approve them.

Interjections.

Mr. Ruston: They have "PC" after their names.

Mr. Speaker: Order.

Mr. Smith: Supplementary, Mr. Speaker: The minister has now admitted he totally circumvented the normal procedure in order to appoint these two allegedly qualified members of his party. Does he recognize this practice has led to advice such as that given to an acquaint-

ance of mine by an official in the ministry's personnel services branch? The acquaintance called asking to be employed in this commission and was told that in order to get the job of commissioner he "should call his MPP to see what political connection can be made with the minister's office."

2:50 p.m.

Hon. Mr. Walker: Mr. Speaker, I suppose there is a question in what the member is posing. I think he is suggesting they perhaps are unqualified people. The fact is they are order in council appointments. It is normal that order in council appointments pass through the cabinet and that is the way they were done. There is nothing abnormal or unusual about it. The individuals are particularly well-qualified.

Since Mrs. Browes was apparently castigated by the Leader of the Opposition for her disqualification, I would like to come to her defence and say I am proud of the qualifications she has. I am certainly not prepared to see—

Mr. Smith: Not at all. She may be a fine person. Why not go through the usual procedure?

Hon. Mr. Walker: Just a moment. I am prepared to defer to him if he would like to ask another question. In the meantime, he should pipe down. The fact of the matter is, the individuals involved are responsible and extremely qualified individuals. Mrs. Browes has served on a number of committees in judgemental situations, has been a budget chief, has been educated in microeconomics and macroeconomics in her educational courses and she is well-qualified for the position. For the member to suggest for a moment that she is not qualified is simply ludicrous and he knows it.

Mr. Philip: Mr. Speaker, a supplementary question: Would the minister tell us what specific qualifications, what experience and what training each of these individuals has had for these positions? Our investigation led us to believe the only qualification they had was a high position in the Conservative Party?

Hon. Mr. Walker: Mr. Speaker, The mistake the member made is he did not bother to look beyond the end of his nose to find out the individuals appointed are extremely competent. In the case of Mr. Clarke, who comes from Durham riding, he has had a distinguished career in the military and on committees of adjustment, has served—

Mr. Foulds: That qualifies him for rent review?

Mr. R.F. Johnston: How important was it in your development?

Mr. Foulds: What rank did he achieve?

Hon. Mr. Walker: Somebody is laughing at the military career. Does the member not consider military service to be important? I would. I consider that shows the gentleman has a lot of capacity to lead. Mr. Clarke has served on the committee of adjustments in the town of Newcastle. He was a former member of the Newcastle town council. He has served in a number of community endeavours including the Royal Canadian Legion. He holds one of the highest orders of the St. John Ambulance organization. The man is extremely well-qualified for the position he has and he should not be castigated for that reason.

Mr. Smith: Would the minister recognize the question is not whether the individuals have certain qualifications, but that there is a standard procedure everybody must go through to apply for this position? We were told by the same person who happens to do the interviewing for the job that the procedure is to advertise the position and when resumes are received to draw up a short list. Then interviews take place and she does the interviewing.

Given that is the normal procedure, if these people are well qualified why were they not simply put through the normal procedure? Undoubtedly their sterling qualities would have been obvious to the interviewer. Why did the minister circumvent the necessary procedure in these two instances? In how many other instances has he circumvented it as well?

Hon. Mr. Walker: There is no circumventing at all. The normal procedure in a case like this is for recommendations for orders in council. The Leader of the Opposition is getting confused with civil service appointments. This is not a civil service appointment. This happens to be an order in council appointment. These individuals went through the normal vetting process.

Mr. Smith: My friend applied and was told this was the procedure.

Hon. Mr. Walker: Is the member going to answer my question or am I going to answer his? Which would he like to do? If he is prepared to pipe down for a moment, he will get the benefit of my answer. Do I have that concurrence? Do I have his promise?

Mr. Speaker: Will the minister proceed, please?

Mr. Nixon: Why don't you get it right?

Mr. Smith: I am helping you. I am directing your attention to the point.

Interjections.

Mr. Speaker: Order. Will the minister answer the question, please?

Hon. Mr. Walker: Mr. Speaker, I will answer the question as soon as they pipe down. The fact of the matter is the normal procedure in all of this is that an order in council is a recommendation to cabinet by the minister. The order in council is ultimately approved and is considered by the entire cabinet. When a recommendation is put forward, it goes to the Lieutenant Governor to sign. There is absolutely nothing unusual in the approach that has been taken. Indeed, he has the wrong understanding of the approach. He is mixed up in what it is.

Mr. Smith: To set the record straight, we got the approach from the minister's office. They told us that's how to apply.

Mr. Speaker: Order, order. The member for Ottawa Centre has the floor.

CONSTITUTIONAL RESOLUTION

Mr. Cassidy: Mr. Speaker, I have a new question for the Premier with respect to the Constitution Act which is now before the Parliament of Canada. Last week the Premier assured the House that Ontario was not among the provinces that suggested native rights should be removed from the charter. Yet we now learn that while the Premier was saying this, the Attorney General (Mr. McMurtry) had been actively arguing for amendments that would have watered down the commitment to native rights to the point of removing them. Could the Premier clarify Ontario's position with respect to including aboriginal rights in the charter?

Hon. Mr. Davis: Mr. Speaker, I have not had an opportunity on my return to read the entire text of the Attorney General's letter. However it was made abundantly clear, both in this House and in Ottawa—and I have made it abundantly clear since—that Ontario does support and continues to support the inclusion of native aboriginal rights within the constitution.

I think if the leader of the third party reads carefully what was said by the Attorney General, who has supported this from day one, he will see he raised some concerns of a legal or technical nature which have been raised on other matters of the charter by other Attorneys General with respect to certain aspects of the definition and how it might be phrased. But in terms of our position, it is what it was a year ago September. In spite of opposition from many sectors, it has remained consistent for some 13 months and that position has not altered today.

Mr. Cassidy: A supplementary: I am glad to have the clarification of the Premier, although

frankly it is difficult to see the consonance when one reads the Attorney General's letter. However, the question now and for the next few days is, what further steps is the Premier prepared to take on behalf of Ontario in order to gain sufficient support among the other Premiers so section 34 can be restored to the act now before Parliament, or so some other protection for aboriginal rights can be worked into the constitution? If it is not done with the act as it goes over to the British Parliament there is a very real danger aboriginal rights will never be adequately protected in the constitution of Canada.

Hon. Mr. Davis: Mr. Speaker, I do not share the point of view being expressed by the Leader of the New Democratic Party. I really do not.

I would prefer that it be included, but I was part of a discussion where I genuinely believed the position taken by other Premiers and by the Prime Minister was that it is their intent to have a meeting shortly—I cannot say in the next six weeks or two months—but very shortly with respect to the defining or refining or agreeing upon a wording to include aboriginal rights.

I would not want to be Premier in a province of this country who says if a conference is called for sometime next year he no longer wants to participate. I just do not think that would happen. I am one who believes the others who were present when they said this would be the first order of business. It was included in the communique and in the accord.

If the honourable member is asking, "Has our position altered?" I hope I have answered that; it has not. I understand the government of Canada has been canvassing this issue along with the issue of equality of women's rights. In case there is any misunderstanding, when the women call my office I am delighted to get the calls and I give them the phone number of one or two other Premiers. I even might be inclined to give them the phone number of the Premier of Saskatchewan on that issue. I want the leader of the third party to know it is not all as simple as he thinks it is.

I also want him, and I hope the women of this province, to understand that Ontario has been committed and is still committed to equal rights in the constitution. The government of Canada, I understand, has been having discussions on both of those issues. We stand prepared to have them included.

Mr. Sweeney: A supplementary to the Premier: The Premier may notice the little ribbon on my lapel circulated by the Kitchener-Waterloo Status of Women group to encourage

what he just spoke about—the inclusion of women's rights in the constitution. During the negotiations, was he given any indication by his fellow Premiers of what conditions would be required to include women's rights in the constitution? Can the Premier give us any indication as to when or how women's rights may be included in that constitution?

3 p.m.

Hon. Mr. Davis: Mr. Speaker, I do not recall dealing specifically with the whole section on equality rights. There was a discussion of the general application. We argue it should not be the part that has the notwithstanding provision. I am trying to simplify it as much as I can. The agreement that was finally concluded had that as part of the notwithstanding section. I made it clear we had no intention of introducing any notwithstanding legislation here. I have talked to a number of the women myself. There is an awareness this province supports its inclusion.

I do not go by telexes, but I do have some information Nova Scotia has perhaps rethought its position and may be in the process of agreeing to that being included. In that case it might leave just one province that has not so far accepted.

This is something I did not dwell on at the time I reported to the House. However, while we helped develop the compromise—and I think it was right and proper—I would be one of those who would predict the politics of the situation are such that we will not see a lot of notwithstanding legislation introduced in some of our sister provinces in spite of the ability to do so. I think that is a political reality.

Mr. Wildman: Mr. Speaker, I have a supplementary question to the issue raised by my leader with the Premier. I accept the Premier's statement that it is not a simple issue, that it is complex. However, the Attorney General of Ontario suggests to the federal minister that if the aboriginal and treaty rights clause is not changed, Indian bands could take over whole communities in the Ottawa Valley or perhaps even Parliament Hill and bring about grave disruption in Canadian life. Does the Premier really believe this was in the spirit required to bring about the acceptance of native rights by other provinces in this country?

Hon. Mr. Davis: Mr. Speaker, the Attorney General might like an opportunity to be more

definitive himself. The Attorneys General spent months on the wording of the then proposed charter. What is in the present federal—

Mr. Foulds: Shoot from the lip again.

Mr. Cassidy: You were undermined behind your back.

Hon. Mr. Davis: With great respect, unlike the member for Ottawa Centre, I have never been undermined by people on this side of the House. I say that with some pride. The odd minister may have disagreed with me on occasion but they would never undermine their leader. If the leader of the third party had that degree of commitment, he would have been better off.

Mr. Speaker: Order. Would the Premier please address the question. Never mind the interjections.

CANADIAN ADMIRAL

Mr. Cassidy: Mr. Speaker, in the absence of the Minister of Industry and Tourism (Mr. Grossman), I have a question for the Premier about protecting the jobs of the 1,700 workers at Canadian Admiral who have been shut out, laid off and have lost their jobs as the company is going out of business.

How much is the province prepared to chip into a bridging investment or a joint venture to enable Canadian Admiral to go forward? There are discussions now under way between Admiral and Inglis, Admiral and Westinghouse and Admiral and Camco. Would the Premier say what the government will do in order that the company can be enabled to survive and continue in production, and in order that those 1,700 jobs can be kept here in Ontario?

Hon. Mr. Davis: Mr. Speaker, I have not had an opportunity to discuss the Admiral situation for the last day and a half or two days. I cannot inform the leader of the New Democratic Party because the discussions, I understand, are ongoing. There have been some suggestions or possibilities put forward. Whether they are confined to the group the leader of the New Democratic Party has suggested I frankly do not know.

The minister made it clear that from the government's standpoint, if something that would be viable could be put together, we would be prepared to assist. I cannot tell him whether that assistance would take the form of bridge financing or whether any financing from government would be necessary, but he made it clear that we do not preclude that if some viable alternative can be established.

The minister pointed out, and I do not know that this has altered, that it may take a period of time before this is sorted out. I do know that the minister and the ministry are very much involved in keeping on top of it, and if the minister is not here tomorrow and there is anything further I can bring the member up to date on without breaching any confidences, I will be delighted to do so.

Mr. Cassidy: Since the government was prepared to put \$9.5 million into the Volkswagen plant in Barrie despite the evidence from my friend the member for Windsor-Riverside (Mr. Cooke) that this money was not even required by Volkswagen, and since we were also prepared to spend \$178 million on the pulp and paper industry and lose 900 jobs, can the government not indicate that Ontario is prepared to put up \$10 million as a gesture of good faith and as seed money to ensure that the Canadian Admiral plant does not go under and that those jobs are protected in Ontario?

Hon. Mr. Davis: I realize that the leader and members of the New Democratic Party are unalterably opposed to the employment created at the Ford plant in Windsor, that they are opposed to the contribution to Chrysler and that they are not enthusiastic about what we have done with Massey-Ferguson. That is why the unions are beginning to desert their party: they know who their real friends are in terms of job security; they know who can solve these problems.

The NDP do not like what we have done for Volkswagen in Barrie. I cannot wait until four years from now when the NDP candidate campaigns in Barrie and says, "If we had been in government, you would never have had this plant in Barrie." I am looking forward to that. Everywhere I go in the north, in every pulp and paper town, the NDP is in trouble, as are the Liberals, because people know we have given them job security and we have made that industry viable.

On the question of Admiral, I want to make it clear that we are anxious to see Admiral stay in business.

Mr. Cassidy: I heard the Premier's diatribe; what I failed to hear was a specific commitment that Ontario would put this money on the table and indicate it was there, that Ontario would be prepared to take equity in Admiral if Admiral were to merge with one of the other companies and continue as a viable unit.

Mr. Speaker: Question.

Mr. Cassidy: Why is this government not prepared to put the interests of the workers ahead of those of the banks by protecting their rights to severance pay and pay in lieu of notice? Why does the Premier try to dazzle us with words, and why is he not prepared to make a specific commitment for far less money than has been spent in many other cases to protect 1,700 jobs in Cambridge and Mississauga?

Hon. Mr. Davis: I am very flattered that the leader of the New Democratic Party feels I can dazzle him with anything. I point out to him that he raised Volkswagen and the pulp and paper industry; I did not. It was in his question. If he thinks that he can have a preamble to his question highlighting the things he is opposed to and that I am going to sit here and not reply, then I think he does not understand the rules of the House. There is nothing to preclude my referring to observations he makes.

To deal with Admiral specifically, I made it abundantly clear—

Interjections.

Hon. Mr. Davis: I know. The member makes the mistake of trying to bring in other issues, and he always gets caught.

Let us deal with Admiral. The minister and I made it quite clear that the government is anxious to see Admiral remain a viable operation in some form. I think it has to have some future, some potential. I am not in a position to comment to the House on the state of discussions or negotiations; nor, obviously, am I in a position at this stage to commit the government without knowing what may or may not be on the table. That, very simply, is all I am saying.

If I have further information tomorrow morning at 10 o'clock, I will share it with the member. It may come as a bit of a surprise to him, but I have more constituents who are employees of Admiral than he has in Ottawa Centre or the Toronto Islands.

Mr. Peterson: Mr. Speaker, I have a question for the Minister of Consumer and Commercial Relations.

Does he need any help finding his seat?

Hon. Miss Stephenson: No, but you do, obviously.

Mr. Speaker: Order.

Mr. Peterson: They jump at nothing, don't they, Mr. Speaker?

I have a question for the minister about Admiral. It has come to my attention that in the week or two preceding the bankruptcy of Admiral a substantial amount of inventory was

sold for cash at cut-rate prices to a number of dealers around this province. They are now stuck with this inventory, and there is no guarantee that they can honour the warranties, or indeed buy the parts, if those machines are sold.

What is the ministry's consumer protection branch doing about that situation so we will not create further problems for these dealers and the purchasers?

3:10 p.m.

Hon. Mr. Walker: Mr. Speaker, is the member referring specifically to the warranties question?

Mr. Peterson: And parts.

Hon. Mr. Walker: The whole parts question is subject ultimately to a successor being found. I have talked to the Minister of Industry and Tourism about this. I know how eagerly he is searching in attempting to find a successor to these people. That is a real problem.

With respect to warranties, we did look into that question. There are two kinds of warranties that come into play. There is the express warranty, which is the matter of the contract. However, because it is a contract between one and the other, it is really worth the paper it is written on. If a company is bankrupt or has gone under, then the express warranty that is directly written into the contract is not worth all that much unless there is a successor company that takes over and is prepared to honour the warranty. The Minister of Industry and Tourism has that in mind, and it is uppermost in his discussions, that there would be a continuation of the warranty.

In so far as the individual consumer is involved, the Consumer Protection Act provides that all the implied warranties granted under the Sale of Goods Act accompany the product. That means, for example, that the seller warrants the goods to be of merchantable quality, and to this extent he has a responsibility to the consumer or to the purchaser. Thus, the individual dealer would have an implied warranty by reason of the Sale of Goods Act that would be valid in terms of the purchaser when acquiring one of these goods. There is a warranty at least to that extent.

Mr. Peterson: The obvious question is, how does one collect on that from a bankrupt company with no guarantees from anyone, including the company?

Has the minister investigated whether there is a fraudulent preference or conversion of cash of

any type through these large distress sales, when obviously the management knew the company was going to go bankrupt in the very near future and started to unload merchandise for cash at cut-rate prices?

Has he investigated the number of suppliers to Admiral who shipped merchandise in the last two or three weeks before the bankruptcy and who are now stuck with giant accounts receivable that they are not going to collect from that company?

Hon. Mr. Walker: We have not investigated anything that relates to the suppliers to Admiral in the last few weeks.

Mr. Cassidy: Mr. Speaker, has the minister investigated anything with respect to the way Admiral was stripped of its funds by the parent company and the way the company was effectively left high and dry by York-Lambton in a condition where ultimately 1,700 jobs went down the drain? Or is it the minister's view that he has no responsibility in that light at all?

Hon. Mr. Walker: Mr. Speaker, the only aspect of this that was touched on was last Friday in questions raised by the member for London Centre. It involved the matter of whether the Ontario Securities Commission would be involved.

The only vehicle by which some investigation or some study or some assessment could be done—will the member please not shake his head in that direction? It should go up and down—would be the Ontario Securities Commission. Because this is not a reporting issuer, the securities commission has absolutely no involvement. The companies—

Mr. Peterson: That is just not true.

Hon. Mr. Walker: The member knows it is true. He should check his data. I want him to go back and check his work. He should do it once for his own benefit, and he will make some important discoveries. If he needs some information, I will supply it to him. But I wish he would not come in and start saying it is not true. He should check out his own material.

The Ontario Securities Commission would not be directly involved, because it is not a reporting issuer in this whole process. The company was incorporated as a federal company under the Canada Business Corporations Act, and it is only the Canadian act that has any degree of jurisdiction.

Mr. Peterson: Mr. Speaker, on a point of privilege: There is a very serious disagreement here. The honourable minister has impugned the information I brought to the House.

This was a public company. It was traded over the counter. It was not exclusively owned by Admiral US. There were a small number of shares outstanding at the time of these transactions. Furthermore, this company attempted to do a squeeze-out on the minor shareholders some year and a half after; it did a reverse stock split, consolidating 1,000 shares into one share, to squeeze out some of the minor shareholders in this matter.

I respectfully submit that the honourable minister's information is incorrect. There is a series of very shady and double dealings in this company, and I am asking the minister to use his good offices to investigate this situation and all of its aspects rather than misinforming the House on these very important matters.

Mr. Speaker: It is not really a point of privilege. It is a difference in opinion, and I have no way of knowing.

UREA FORMALDEHYDE FOAM INSULATION

Mr. Swart: Mr. Speaker, I have a question of the Minister of Health. Is he aware of the action that the Quebec government has taken to help the owners of homes containing urea formaldehyde foam insulation this winter? Among other things, if these people are suffering health problems, that government is going to pay relocation costs so they can move to other accommodation from their homes with urea formaldehyde foam insulation.

Is the government going to do the same thing for Ontario home owners with urea formaldehyde foam insulation? As Minister of Health, has he made such a recommendation to his colleagues in cabinet?

Hon. Mr. Timbrell: As a matter of fact, Mr. Speaker, quite some time ago I asked officials of my ministry to contact officials in the Ministry of Community and Social Services and to alert our staff and theirs to the possibility that some individuals might need some assistance.

It is interesting that the question was asked today, because I checked on that this morning and I was told that to date no individuals have come forward indicating they need assistance. But the assistance is there; it is available, I am told, through social service departments. Certainly, in hardship cases, assistance would be available.

Mr. Swart: Is the minister telling us it is only for welfare cases that he is willing to provide any assistance, and that he has not yet provided any?

I wonder if the Minister of Health is really aware of the horrible problems that are suffered by many occupants of homes with urea formaldehyde foam insulation. I want to send him two chunks of urea formaldehyde foam insulation. I am not sure that he is familiar with it.

Mr. Speaker: Do you have a supplementary?

Mr. Swart: In fact, I want to send the minister a whole bag of it, if I may. Let me ask the minister, seriously, will he spread this around his bedroom and sleep with the urea formaldehyde foam insulation around him all winter, like 50,000 to 75,000 other people are going to have to do in this province?

The minister has responsibility for public health. What is he going to do to resolve the serious health problems of the victims this winter?

Hon. Mr. Timbrell: With respect to the honourable member and his theatrics, he is trying to leave the impression that for every individual in this province, in this country, anywhere in the world, where urea formaldehyde foam insulation has been installed, it is a matter of life and death.

That, he knows, is not true. He knows it is not true. Even the report that was prepared for the federal government, based on which a ban on the use of this material was put into place—a ban which I support and which I would not support lifting until a lot more questions are answered—did not make that case.

The honourable member is unnecessarily alarming a lot of people. He is being extremely irresponsible.

With the greatest of respect, even if it is not deserving, this government has done more than any other government in the country to assist individuals in getting to the root of their concerns. The best thing that we have been able to do is to perform the tests. As of last Friday, we had performed more than 3,000 tests in the province, and to date we have already provided close to 2,000 reports back to those whose homes have been tested.

The fact remains, and I acknowledge it, that in a very small number of cases—

Mr. Swart: Ten to 20 per cent.

Hon. Mr. Timbrell: No. It is nowhere near it. I do not know what the member is smoking these days, but it is nowhere near that.

Mr. Speaker: Will the minister just address himself to the question, please?

Hon. Mr. Timbrell: I acknowledge, and have always acknowledged, that in a small number of

cases the effects of the gas emitted by this material aggravate allergenic and respiratory problems in some people. In that regard, we have been pushing the federal government to establish a program to assist in those cases where the removal of the material is called for. We have had a promise from the federal Minister of Consumer and Corporate Affairs, Mr. Ouellet, that he would announce a program this fall.

3:20 p.m.

I submit that we have more than exceeded our responsibility in assisting the public of this province. We will do everything we can within our authority and everything we can to press the federal authorities to live up to their responsibility. This sort of theatrics does nobody any good.

Mr. Van Horne: Mr. Speaker, the minister indicated in his initial answer that there was some provision, through his ministry or the Ministry of Community and Social Services, for those extreme cases. Given that practically every member, and I would guess every member in this chamber, has at least one, two or a dozen or more people affected in his or her riding, will the minister share with us the details of this emergency plan so that we can pass it on to those constituents of ours who are concerned?

Hon. Mr. Timbrell: Mr. Speaker, some time ago, back in late summer or early fall, anticipating that in some cases individuals would decide to vacate their homes, whether or not the advice from their physicians or the testers indicated that was appropriate, I asked my staff to check into this matter.

I was assured by them, and they reaffirmed it this morning, that they had discussed it with officials of the Ministry of Community and Social Services, who assured them that assistance would be available in hardship cases to assist people who had to leave their homes.

To go back to the earlier question, as I understand the Quebec situation, all they are going to do is bill Ottawa for whatever it is they are going to do. What is more—I could be wrong on this and, if so, I will gladly admit that I was wrong—I do not believe that province, like most provinces, has done anywhere near the testing we have done to be able to tell people, on an individual basis, whether there is any difficulty indicated by the levels of gas in their homes

CONSENT FOR PSYCHIATRIC TREATMENT

Mr. Van Horne: Mr. Speaker, I have a new

question for the Minister of Health. There is no law requiring the consent of the parent in the event of medical procedures being performed on people in institutions for the mentally handicapped. This consultation may or may not be carried out with the knowledge and consent of the parents of a retarded person, as we learned in the unfortunate case of the 24-year-old woman who was fitted with an intra-uterine device without her knowledge or that of her mother.

Will the minister tell us how he has responded to the September 21 request of the Health Disciplines Board to prevent such accidents or incidents in the future?

Hon. Mr. Timbrell: Mr. Speaker, in all 10 of the psychiatric hospitals which come under my jurisdiction, we follow the Mental Health Act, and specifically section 31(a), which deals with the question of consent for psychiatric treatment. The honourable member will recall in that regard that consent is required.

In the cases of those patients who have been certified as incompetent, we do have the authority under an amendment to the act in 1978, where a patient refuses treatment, to make application to the regional review board for permission to treat.

The honourable member will recall that this arose out of an unfortunate incident at the North Bay Psychiatric Hospital in the spring of 1978, where a patient had refused treatment, gone off his medication and, in an altercation, hit one of my staff over the head with a two by four. The member of my staff died. So I can give him that assurance with respect to my facilities.

If the member wishes, I can send him copies of that section of the act. We follow it, and it is in the manual of administration. In all the directives from my ministry, we follow it to the letter.

Mr. Van Horne: Essentially what the minister is saying is that the existing legislation is more than adequate to accommodate situations such as this. If that is the case, how is he responding to the part of the report which indicated, on page four, "The board was shocked to find out that, in a public institution dealing with mentally handicapped persons and in matters of such sensitivity, administrative procedures which the college was told had been standard practice were completely overlooked by everyone concerned."

What is the minister going to do to make sure this does not happen again?

Hon. Mr. Timbrell: I beg your pardon, Mr. Speaker. I thought the honourable member was referring to one of my facilities. I think the case he is referring to is that of a patient under the care of the Ministry of Community and Social Services. Perhaps I could redirect the question to my colleague the Minister of Community and Social Services, who could respond to it as regards the consent procedures used in his facilities.

Hon. Mr. Drea: Mr. Speaker, consents are required. In this case, there was an assumption that the consents had been obtained. If the honourable member wants the complete background on it, I will be glad to provide it to him. I can assure him that the most stringent steps have been taken to make sure that the administrative procedure, which is that consent has to be obtained, is being followed.

CONSTITUTIONAL RESOLUTION

Ms. Bryden: Mr. Speaker, I have a question for the Premier. A few minutes ago, I believe the Premier said he did not recall any discussion among the other signatories to the accord of the sections in the charter relating to women's rights, a fact that underlines that the accord was made by 10 men who appear to be unaware of the present widespread discrimination against women in many areas of our society, such as equal pay and family law.

Now that the women of the country have let the Premier and the other chauvinist signatories know, by thousands of letters, phone calls, telegrams and protest meetings, that they oppose the inclusion in the revised version of the charter of an override clause on the two sections guaranteeing women's rights, will he do more than hand out the phone numbers of one or two Premiers and, instead, lead a movement to persuade all the signatories to reopen the question of including equality for women and aboriginal rights in the original form in the charter of rights?

Hon. Mr. Davis: Mr. Speaker, I just want to disabuse the honourable member of one thing. I think the member for Kitchener-Wilmot (Mr. Sweeney) asked me if there was discussion as to what the "notwithstanding" approach would be of some of the provinces as it related to equality rights, women's rights. There was no discussion, because I do not think any Premier had made any determination on just what "notwithstanding" approach he might take.

I assure the member that this province made it very clear that we were supportive, we are

supportive and we will continue to be supportive. As I say, I do not go by telexes, but I understand Nova Scotia now has said it is supportive. In that the member is far closer to the government of Saskatchewan than I will ever be, I think she might use her best offices to see what the distinguished Premier of that province might do.

I want to make it clear that our position has been clear and is clear, and I am able to say this to any person, male or female, in Ontario.

Ms. Copps: Mr. Speaker, the Premier also stated earlier that he wanted this House to know that this government would not be responsible for any implementation of the "notwithstanding" clause with respect to future negotiations vis-à-vis women's rights. How can this Premier and this government expect us to believe they will not continue to use women as a political football when, as little as two weeks ago, I introduced in a committee a measure that would have enshrined the principle of equal pay for equal work in this province and his government combined in toto to defeat that resolution?

Hon. Mr. Davis: Mr. Speaker, I will not prolong this discussion. My understanding is that this already is the law of Ontario.

Mr. Cassidy: Mr. Speaker, I want to assure the Premier that representations from this party have gone to some of our friends out in western Canada, and I now have some hopes of success in that regard.

My question to the Premier is this: Is he prepared, on behalf of this province, to see a reopening of the discussions among the Premiers in order that the two questions at issue, women's rights and aboriginal rights, could be reconsidered by the Premiers and so that a new and more positive result on both of those matters could be reflected in the accord and in the act before Parliament?

3:30 p.m.

Hon. Mr. Davis: Mr. Speaker, I think they are really two matters. I do not think it is a question of reopening, because I think we made a lot of progress—contrary, probably, to the expectations of a lot of people. That agreement is there, it is holding up and the resolution before the House reflects it. I do not think it needs reopening. People know my position, and they know the position of the other Premiers.

On the question of women's rights, there appears to be some acceptance of what we have been saying for a year. Whether this will emerge

with respect to aboriginal or native rights, I quite honestly cannot tell the honourable member.

ABORIGINAL RIGHTS

Mr. T. P. Reid: Mr. Speaker, I have a two-part question for the Minister of Natural Resources about some of the aboriginal rights and specifically about wild rice.

First, in regard to what the Premier and others have said about aboriginal rights, is there a committee working with the Indian people in Ontario and at the federal level to define what aboriginal rights are? This is a very vague concept.

Second, with respect to one of the rights the Indians see themselves as having, wild rice, is the minister considering extending the moratorium on issuing licenses to non-Indians in northern Ontario because of the lack of assistance given to the Indians in some cases to develop the market for wild rice?

Hon. Mr. Pope: Mr. Speaker, concerning the issue of whether there is a committee working on a definition of aboriginal rights: Since I became Minister of Natural Resources, there have been a number of meetings through the cabinet committee on native affairs as well as direct contact through Mr. Justice Hartt and direct meetings with the various treaty organizations representing the native people. At these meetings we have attempted to lay on the table a whole host of issues which we think relate not only to treaty rights but also to aboriginal rights.

We have started from the position that there is a need for discussion between the government of Ontario and the native people concerning the comanagement of resources. During the summer months, we attempted to provide by letter as much documentation as we could to the treaty organizations on some of our studies that emphasize the need for some restraint or control on fishing and hunting in the province.

We have also had meetings with Grand Council Treaty 9 in Webequie in August 1981 in which we discussed a treaty negotiated back at the turn of the century. This treaty recognized only one community, the community of Fort Hope; it provided for a reserve for that community, but it did not provide any guarantee of land rights for the communities of Webequie, Summer Beaver, Lansdowne House and a whole list of other communities of Indian people in northern Ontario.

We indicated that one of the issues that had to be resolved through this consultation process

was the definition of land as my friend and I might understand it and as the native people might understand it, including the right to the use of resources that might be located adjacent to these lands.

We have indicated that we have to settle the status of these communities through a joint federal-provincial structure, and we have started that process. At the meeting in Webequie, I indicated that we could accept eight out of the 11 conditions that were put to us by the native people of the province who were there.

Finally, we have arranged for the tripartite committee to meet on December 14 with the Honourable John Munro and a number of cabinet ministers from Ontario, along with other leaders from the treaty organizations in the province. A number of the issues that involve treaty and aboriginal rights are on the agenda for discussion there—

Ms. Copps: Time!

Hon. Mr. Pope: Time? What does the member mean? This is a very important issue to the native people of the province.

A number of issues involving aboriginal and treaty rights, including hunting and fishing, are on that agenda, not only in the context of a resolution of the applicability of regulations and laws both on the federal and provincial levels but also in the context of an explanation of whether treaty and aboriginal rights—

Ms. Copps: Time.

Hon. Mr. Pope: The member for Hamilton Centre thinks this issue is not important enough to spend some time on, but that is in direct contradiction to the position that other members across there are taking.

There will be a tripartite committee meeting on December 14. All levels will be present and all these issues are going to be on the table, including aboriginal and treaty rights. The chiefs of Ontario feel all of these issues have to be discussed, not only in the context of Ontario regulations but also treaties and aboriginal rights. With all of that on the table I think we can make some progress.

Mr. T. P. Reid: A supplementary: Would the minister indicate whether he is prepared to extend the moratorium on wild rice in order to give the Indian people the additional time needed to develop and market that product?

Hon. Mr. Pope: I am sorry, Mr. Speaker, I forgot to answer that part. Treaty 3 requested an extension of the moratorium from me at a cabinet committee on native affairs meeting

that was held in early June. I indicated at that time I was not prepared to make a decision on the matter. I do understand their concern, particularly with respect to the Lake of the Woods, because in the first two years of the moratorium, the lake levels were such that they did affect the wild rice harvest.

I have indicated to Chief Robin Greene, who was then Grand Council chief, that I was prepared to look at an extension and would agree to an extension of the moratorium on Lake of the Woods but I was not prepared at this time to make any decision with respect to extending the moratorium for the rest of the area covered by Treaty 3.

In the meantime we are continuing. This is one of the issues I think is going to be discussed at the tripartite meeting and I still have not made a decision one way or the other with respect to the extension.

Mr. Stokes: Did I understand the Minister of Natural Resources to say in his initial response to the member for Rainy River he would not consider giving reserve status to Webequie, Lansdowne and Summer Beaver as an adjunct to the Fort Hope band in the same way as he did for all of the satellite communities belonging to the Big Trout Lake band? Is he going to consider reserve status for those three well-established communities?

Hon. Mr. Pope: I think the original Fort Hope reserve was set up by the federal government in negotiation with a number of native people who resided in that area. We indicated at a meeting in Webequie and in subsequent communication that we are prepared to enter into a negotiation process with a time frame for completing it. We have indicated that one of the areas that has to be resolved is the granting of legal ownership for those lands that constitute the communities.

We want to make sure when we are discussing this as a land settlement that at the same time we take care of all the other issues the native people feel are attached to the concept of land ownership—and that is the use of the resources. So in my reply to the native people at Webequie, I indicated that all of these issues should be on the table.

There is no doubt these communities have existed since the turn of the century. They are there. There are government buildings there. There are airstrips there for people to get into the communities. We recognize they do exist. How we resolve the status of them, between reserve as opposed to an actual granting of the land from the provincial government, is some-

thing we have to resolve. But there is no doubt they exist and we have to recognize that fact.

WILD RICE MORATORIUM

Mr. Laughren: Mr. Speaker, my question is to the Minister of Natural Resources. Even though I tried to get this question answered in the estimates I did not. It has to do with the wild rice question in Ontario.

The Premier, when he announced the moratorium on the granting of wild rice licences to non-native people in northwestern Ontario, also promised there would be development aid granted to the native people during this five-year moratorium period. In view of that, why is it Ministry of Natural Resources officials in northwestern Ontario refused any assistance to three separate bands who went to them for assistance? They were told a harvester was available for demonstration purposes only and that no seed rice would be made available to them.

3:40 p.m.

Hon. Mr. Pope: Mr. Speaker, we did have this discussion in the estimates this morning, and no doubt it is going to continue. I reiterate, if the honourable member could give me the details of the dates of those requests—

Mr. Laughren: I did.

Hon. Mr. Pope: No, he has not told me when the request was made. I read into the record that we had checked each district office in the northwestern region. They claimed no applications have been made for the use of that equipment in the year 1981 or for the coming year. If it is prior to that, we will try to dig back in the information and see if a contact was made.

The other point I put before the member in the estimates this morning was that in May and June of this year I made an offer to license under the terms of the legislation now in place in Ontario—

Mr. Laughren: It was a phoney offer.

Hon. Mr. Pope: It is not a phoney offer.

I made an offer to license specific locations of wild rice on areas that had special cultural and religious significance. I offered to provide technical and scientific advice and knowhow to be made available to the bands. I made available the offer of equipment. I have yet to hear from the organizations I addressed that offer to, about the specifics of what they want. When I do—I say the same thing here I said this morning—I will intervene, and we will get it

under way. But I have to have some response before I can do that.

ONTARIO ENERGY INVESTMENT

Mr. Smith: On a point of privilege, Mr. Speaker: The members of this House have been told the Suncor deal is going to be signed tomorrow. As far as we know, that is the last we have been told about the matter, despite many attempts to get more information. The Minister of Energy (Mr. Welch), however, is quoted in this morning's *Globe and Mail* as saying he does not think the agreement will be signed tomorrow, that negotiations may take a little longer. I do not know why there is now this hesitation to sign tomorrow. I suppose the views of the Don Mills Conservative association, which came out very much against the deal, despite the request of the Minister of Health (Mr. Timbrell) that it not do so, may have been taken into consideration. In any event, it may well be there are other reasons—

Mr. Speaker: Order. That is not a point of privilege, with all respect. No, no. I am not going to debate it.

Interjections.

REPORTS

STANDING COMMITTEE ON PROCEDURAL AFFAIRS

Mr. Kerr from the standing committee on procedural affairs presented the committee's fourth report on agencies, boards and commissions and moved its adoption.

Mr. Kerr: Mr. Speaker, the report covers the Ontario Racing Commission, Farm Pollution Advisory Committee, Hockey Ontario Development Committee and Ontario Place Corporation. There are 10 recommendations resulting from the committee's public meetings and deliberations, and the report follows the terms of reference from the Legislature given on April 24, 1981.

On motion by Mr. Kerr, the debate was adjourned.

MOTIONS

STANDING COMMITTEE ON SOCIAL DEVELOPMENT

Mr. Shymko from the standing committee on social development reported the following resolutions:

That supply in the following amounts and to defray the expenses of the Ministry of Commu-

nity and Social Services be granted to Her Majesty for the fiscal year ending March 31, 1982:

Ministry administration program, \$18,262,900; adult and children's services program, \$1,293,016,200;

That supply in the following supplementary amounts and to defray the expenses of the Ministry of Community and Social Services be granted to her Majesty for the fiscal year ending March 31, 1982:

Ministry administration program, \$150,000; adult and children's services program, \$34,375,800.

ESTIMATES

Mr. Wells moved that the estimates of the Ministry of Revenue be taken following the estimates of the Ministry of Northern Affairs in the committee of supply.

Motion agreed to.

ANSWERS TO QUESTIONS ON NOTICE PAPER AND RESPONSE TO PETITION

Hon. Mr. Wells: Mr. Speaker, I would like to table the answers to questions 173, 187, 190, 221, 222, 237, 238, 242, 243 and the interim answers to questions 191 and 240 standing on the Notice Paper; also the response to the petition presented to the House, sessional paper 253 and private members' ballot item 17. (See Hansard for Friday, November 20).

ROYAL ASSENT

Mr. Speaker: I beg to inform the House that in the name of Her Majesty the Queen, the Honourable the Lieutenant Governor has been pleased to assent to certain bills in his chambers.

Clerk of the House: The following are the titles of the bills to which His Honour has assented:

Bill 55, An Act to amend the Motorized Snow Vehicles Act;

Bill 68, An Act for the establishment and conduct of a Project in The Municipality of Metropolitan Toronto to improve methods of processing Complaints by members of the Public against Police Officers on the Metropolitan Police Force;

Bill 94, An Act to amend the Ontario Guaranteed Annual Income Act;

Bill 137, An Act to amend the Ontario Pensioners Property Tax Assistance Act;

Bill 138, An Act to amend the Income Tax Act;

Bill 142, An Act to amend the Assessment Act;

Bill 150, An Act to amend the Highway Traffic Act;

Bill Pr11, An Act respecting the Town of Lincoln;

Bill Pr13, An Act respecting Kleven Bros. Limited;

Bill Pr16, An Act respecting the City of Kitchener;

Bill Pr17, An Act respecting The Society of Management Accountants of Ontario;

Bill Pr27, An Act to revive Candore Explorations Limited;

Bill Pr30, An Act respecting the Latvian Canadian Cultural Centre.

ORDERS OF THE DAY

MUNICIPAL POLICING AGREEMENTS

Mr. McGuigan moved, seconded by Mr. Elston, resolution 24:

That in the opinion of this House the government should take steps to ensure that the Solicitor General's estimates contain provision for additional obligations incurred under policing agreements with municipalities made pursuant to section 64 of the Police Act, and that such provisions be commensurate with payment received from municipalities under such agreements.

Mr. Speaker: I would like to remind the honourable member he has up to 20 minutes for his presentation and he may reserve any portion of that time for his windup.

Mr. McGuigan: Mr. Speaker, I would like to reserve three minutes at the end so I would appreciate being notified by the table officers.

My introduction to the resolution at hand came shortly after my election in 1977. Shortly after that I was called on by the mayor of one of the local towns to arrange a meeting with the then Solicitor General, John MacBeth. The mayor, several members of his council and myself met with Mr. MacBeth. The interview was very amiable and gratefully received by a rookie MPP.

The then Solicitor General was sympathetic to the proposal, but he said the Ontario Provincial Police could not take over the policing of the municipality because there would be problems in financing. The problem is that when the municipality paid the moneys to the government under the contract, they would go into the consolidated revenue fund and would not be added to the Solicitor General's budget. There was a blockage in the money system at that time. I am not advocating the government change its

system of receiving moneys from various sources both inside and outside the government. I believe that such moneys should go to consolidated revenue.

3:50 p.m.

An example from my riding I am familiar with is the Ridgetown College of Agricultural Technology. Suppose the livestock people there purchased 100 young cattle for feeding in the fall, fed them through the winter with feed produced on the farm and sold them in the spring. According to the luck of the draw they might show a paper profit of something in the neighbourhood of \$30,000, given the general prices in recent years.

This would be a nice way of increasing the research budget if they could get away with it. But the fact is that all that money goes to the Treasurer of the province and the college would have to repeat the experiment by going to the Treasurer again and asking for that amount in the budget. I do not propose to tell the government how to complete the circle; I simply hope the Treasurer and the Solicitor General find some means of doing so.

As an aside, a visit to the office resulted in the Ontario Police Commission investigating the police force. As far as I understand, things are working very well now.

If the members choose to support my resolution I would not expect a rush for Ontario Provincial Police services. I would not in any way support the government if it decided to pressure municipalities into using OPP services. I believe the present Solicitor General (Mr. McMurtry) when he is quoted in an article in the London Free Press last June as having said, "If the citizens of a particular small community want to maintain their own police force I don't think it's up to the province to tell them they can't."

The Solicitor General is quoted as having said that more than two dozen municipalities have made requests for coverage by the OPP to replace their own local forces. He was quoted in the London Free Press article of June 27, 1981, written by Cheryl Hamilton, as having said "the present system of billing municipalities is 'out of whack' and requires revamping before the request of these municipalities can be acted upon."

The arguments for small municipal forces seem to centre on the need for local control and the home-town instincts developed by local policemen. The arguments against having a local force are that parochial political forces

seem to interfere and that the system is less efficient.

I do not pretend to know which of these two systems is the better. I realize this question has been studied by people who are very knowledgeable in the field. I do have a lot of recommendations from the Pukacz report. However, I am not endorsing all those recommendations; I simply want this one move that would break the present logjam.

I ask the support of the House to provide the means so that the option to use the contract services of the OPP is available to small municipalities. I emphasize simply that the option should be available. As a matter of interest, there are 129 municipal police forces in Ontario, and the OPP brings the total to 130. There are 180 OPP detachments administered by 17 district superintendents.

I became further interested in this subject when I attended the estimates of the Provincial Secretariat for Justice in the spring of 1981. The Provincial Secretary for Justice (Mr. Walker) appeared at the meeting. I am sure if most citizens, and even some members of this assembly, were asked about it they would have the world divided into two camps as regards crime; the wicked city and the peaceful, law-abiding rural areas.

Mr. McKessock: Right on.

Mr. McGuigan: I am sorry to tell the honourable member for Grey that is really not the case. I know he is trying to support me, but if he and other members looked at this booklet that was delivered to us just a few days ago, *Crime in Ontario*, they would find that crime is generally rising throughout the whole province. It is growing at a rate of about four per cent a year. The rate in the small communities is as high, and in some cases higher, than in the larger cities. I think it is a matter of record that a lot of criminals are realizing they can get away with things out in the rural areas.

In yesterday's *Globe and Mail* there was a report of a single occurrence. I do not say this indict all rural areas but it does show what can happen. The report says, "Two elderly brothers were beaten and robbed in what police say is the latest in a series of thefts throughout Hope township. William Smith, 80, and Roy Smith, 76, were terrorized and robbed of their life savings by two masked gunmen Saturday night on their isolated farm about 13 kilometres south of Peterborough." This is one of a series of such events in that community.

Quoting from the provincial secretary's statis-

tics for 1980, the trend shows violent crimes have steadily increased from 557.2 in 1972, to 628.5 per 100,000 population in Ontario in 1979. Property crimes increased from 3,914.4 per 100,000 population in 1972, to 5,159.3 in 1979. Homicides increased from 1.7 per 100,000 population in 1972, to 2.1 per 100,000 in 1979. The trend is rising in spite of the fact that the number of police per 100,000 of population also rose from 2.14 in 1972, to 2.26 in 1979. Serious traffic offences increased from 1,337 in 1972, to 1,720 per 100,000 in 1979.

The figures that caught my eye are in a table showing the actual number and rate of crimes for selected population groupings by offence in 1977. In that year large urban centres, that is those with populations of 250,000 and over, had 2.7 homicides per 100,000 population. Small centres of 25,000 to 250,000 had 1.9—that is a little lower—and towns and villages with populations of 750 to 25,000 had 2.5. The rate of crime in the smaller centres is just about as great as in the larger ones.

Most other categories showed the small towns and villages are not far behind the larger centres, except for prostitution and gaming and betting. Here, the rate in small centres falls to almost zero. I guess we farmers do enough betting in the growing of our crops and livestock so we do not spend much of our time in illegal betting.

One could conclude that rural municipalities need the same sophisticated policing system as larger population centres need, and again I emphasize we should have it available to the smaller centres if and when they want it. Some eight years ago a provincial task force on policing recommended that the minimum population for a community in southern Ontario to run its own police force be set at 15,000. That shows some of the thinking by experts.

At the present time I do not know of a municipality in my riding that is pressing for Ontario Provincial Police policing, although the town of Bothwell is pressing that a suboffice be opened in the town. The reason is that Bothwell is at the very edge of the riding, and therefore, is at the end of the OPP touring area. They do not see the officers as much as the people in the centre because in the centre they see the force going both ways.

4 p.m.

I am not an expert on policing matters, so I do not know how valid the recommendation is from the Pukacz report. I think municipalities are in a position to choose and should be able to

choose from the two options. According to the Minister of Municipal Affairs and Housing (Mr. Bennett), the Municipal Liaison Committee will shortly be participating, by invitation of the Solicitor General, with representatives of the police community in a review of the Police Act.

If new legislation results and my resolution passes, the intent of my resolution could be completed in this review or in the introduction of a new act. I am also aware the Solicitor General has recently received authority to add 125 officers to the force. We applaud this positive move. However, we believe these officers will be assigned to present detachments rather than adding to the number of attachments.

In summary, these small municipalities should have a choice, their own choice, either to hire their own force or contract with the Ontario Provincial Police.

Mr. Breagh: Mr. Speaker, I would like to join in support of the resolution. I think it speaks to a problem that is reasonably well known and a matter of some concern in many parts of the province—that is, what happens in regard to policing in our smaller municipalities.

This government has moved in the last few years to provide incentives to regional police forces. I think that is simply a response to an immediate need. There are many areas in the province under regional government which are, in effect, large urban centres, much like Metropolitan Toronto. On the outskirts of Metro, in York, Durham and Peel regions, in addition to those down through the peninsula, one will see rather sophisticated police forces being set up because they took in rather large amounts of territory. For example, in the region of Durham, there were several smaller forces. In that case, the process was centred in the city of Oshawa and that force, in essence, was expanded to take on additional responsibilities for policing an area roughly the size of Prince Edward Island.

There is a regional police force there and one can readily understand that this government, although in my view it has never really made sufficient commitment for financial resources for the development of those regional police forces, has at least had the presence of mind to respond to the crisis situation of providing a communications network, providing vehicles to cover that kind of geography and recruiting, training and setting up a police force which can establish that.

Somewhere along the line, the small communities have not been well looked after as part of

the process. Some would have between 200 and 300 people. Most have never had a police force of their own. Almost all the communities of that size I am aware of have for some time now been serviced by the Ontario Provincial Police.

But there are smaller towns like Picton, Cobourg and Napanee that had their own police forces for a lengthy period of time. One sees the irony there: in a smaller municipality they are bearing the financial burden of running their own police force, whereas other communities not far away from them had their policing services provided by the OPP at virtually no cost to the municipality. In a few cases there are contractual arrangements.

One gets to look at the sort of dog's breakfast of how policing is financed throughout Ontario. More than that, there is some inequity in the financial arrangements. Listening to the current Solicitor General, I get the sense from most of his public statements on small towns and their police forces that, by and large, he shares my view that probably the single most dramatic and important aspect of police work is identification of a police officer with the community he or she serves.

For example, in many parts of Metropolitan Toronto we are now beginning to recognize that police officers do not know the community they are serving. They do not know what the needs of that particular community are and they have some difficulty relating to the citizens who live in that small area of town. That gets them into trouble right away. But, more important, the community does not know the police officer. So a police officer becomes someone who roars up to a crisis situation in a cruiser with the lights blazing.

In most parts of small-town, rural Ontario, a police officer is someone we know from the ball park, from the rink. He is somebody who lives on our street, somebody we see around town. We know that person. We know him in social, noncrisis situations. If a problem does erupt, it is someone whom at least we recognize, and probably like, who intervenes in a police manner. It puts a wholly different tenor on the work of a police officer. Out of that ought to come, in the great tradition of the British bobby, a police force known by its community and, more important, a police force that knows the community it serves.

One hears the Solicitor General from time to time recognizing that as probably the single most important factor in police work. But despite all the technological changes that have

occurred in police work over the last few years and despite how sophisticated the larger forces have become, if they do not know who it is they are policing and if we do not know them, we have made their job very difficult from the start.

We hear the Solicitor General say that, and yet if we look across the financial pages of the municipalities, we will see that all of the little municipalities are having trouble financing a local police force. If we read the reports done by the Ontario Police Commission, we will find complaints against small forces are being investigated at a record rate. There are complaints these small forces cannot be as sophisticated; that should not be a surprise to anybody, because they cannot be as sophisticated as larger urban forces.

Somewhere in the process, one has to recognize that there is going to have to be co-ordination of the kinds of resources that police forces have. I suggest that is possible now in Ontario by lifting up the telephone and using the Centre of Forensic Sciences or the investigative teams that are available in the urban centres. The basic chore of police work, that is keeping the peace, is probably best done by a small local police force.

What also strikes me is that if we say to plumbers and electricians and the rest of society that here is the course they must go through and they need to have the piece of paper before they can do the work, we should say the same thing to our police officers.

I am not an advocate of taking someone off the street who happens to be a large physical specimen and saying: "You are now a police officer. Wear this gun and follow these rules." It strikes me that police officers have an obligation to get trained just like everybody else. Ironically, in many parts of the province we have police officers who have had virtually no training other than on-the-job training. It seems to me that is something that can and should be corrected, because we do have a police college at Aylmer and several other police schools they can go to.

This resolution that is before us today speaks to one of the problems that is there, that rather perverse set of statistics on financing police forces around Ontario. I do not suggest for a minute that the resolution is a quick solution to it all, but I will support it simply on the basis that it points out a large measure of unfairness between the way policing is financed in a small rural community, between one rural community and another, between those in the regional

police forces and between those in the large urban centres.

It also strikes me that it begs the question; by addressing ourselves to this resolution, we sooner or later get to the point where we ask ourselves, "Are we really over-policed?" In many respects, I believe there is a lot of truth in that one. There are at least three levels of police forces at work in most parts of the province that we can identify; there are the local forces, the Ontario Provincial Police and the Royal Canadian Mounted Police. Which is not to say there are not some other police forces at work out there, or different branches, that we do not know about.

But I do know that in my own area I have seen, for example, some big press announcements of drug busts as a result of joint efforts by three levels of police involving sometimes 50 to 60 officers laying 60 or 75 charges for possession of drugs. I always take the time to follow through what happens with these great joint ventures, breaking up crime in my own home town. After all those charges have been laid, how many really stand the test of going through the courts? I am amazed to report that on at least one or two recent occasions they have laid something like 60 or 75 charges and only one makes it through the courts.

That gets me to the point where I ask the question: Why was this great joint venture put together in the first place? Why all the great fanfare when the arrests are made and there does not seem to be a subsequent fanfare at the other end of the process?

4:10 p.m.

When one begins to look at the financing of policing in this province, sooner or later one might also get around to the point where one examines just how well co-ordinated this police effort is. The previous speaker mentioned that it might be easier to commit a crime in certain parts of the province than it would be in, say, downtown Toronto. I am not terribly sure that is true. It might be possible for someone to commit a crime in a rural part of Ontario and no one would see him for a little while, but I suspect that in the middle of downtown Toronto, one of the most heavily policed areas in the province, there is also a lot of activity going on that the police do not know anything about.

The resolution talks about one part of the problem that people face in setting up policing in this province. It does not speak to the totality of the problem that is there and, frankly, it does not offer much of a solution to this particular

problem. But I do think it brings the attention of the House to the inequities that exist.

It makes no sense to me, to use a situation I am familiar with, why Napanee has a municipal police force and bears the cost of that with the existing grants in place, while two miles out of town the policing is carried on by the Ontario Provincial Police and that comes almost directly from the general taxpayers in Ontario. I am sure the Royal Canadian Mounted Police are also working in that area. A little farther down the road, I know that the city of Kingston is having difficulty with its police force in providing the level of service it thinks is necessary. Then in a village like Bath there is no local force; policing there, too, is provided by the OPP.

There are different strokes for different folks and no real common set of rules as to how they get their financial houses in order to provide a standard level of policing around the province.

I want to conclude by saying that I have not heard anybody, not even the Solicitor General, make a claim that the level of police protection offered to the citizens of Ontario is the same everywhere. I think there is an acknowledgement that this is not true, and this resolution speaks at least to getting the financial house in order.

Mr. Treleaven: Mr. Speaker, as a new boy, I have to go at this matter very slowly and carefully. First, I want to refer to the resolution of the member for Kent-Elgin. When he uses the words "additional obligations," he must be referring to one of two things, either obligations in the meaning of duties or obligations in the meaning of money; it must be one or the other. If one examines section 64 of the Police Act, as referred to in his resolution, one comes to the decision that his resolution has little meaning if duties are concerned and, therefore, he must be meaning money.

Mr. Eakins: That is important, too.

Mr. Treleaven: Yes, it is important. But on a point of order, Mr. Speaker, this resolution, if it is acted on, will result in the expenditure of public funds. Since time is of the essence, I am not going to read standing order 15—

Hon. Mr. Bernier: It is out of order.

Mr. Treleaven: The resolution is out of order in terms of the expenditure of public funds.

Mr. Eakins: No. That's only true in private members' bills.

Mr. Treleaven: Standing order 15 sets that forth. If the member reads standing order 15—

The Acting Speaker (Mr. Cousens): The honourable member is declaring an opinion. The resolution has been accepted as being in order. Your point of order is not accepted; so you may speak to the motion that is on the floor.

Mr. Treleaven: I recognize that the resolution does not have the power of a bill, but I submit that section 15 of the standing orders makes it quite clear that neither a bill nor a resolution may direct the allocation of public funds unless it is introduced by a cabinet minister and authorized through the Lieutenant Governor.

I also recognize that opinions may be divided. There may be and there will be moral suasion on the government. If this resolution passes, the government then will be persuaded to follow it. It would be embarrassed not to follow it. The member is dealing with public funds, and this resolution is entirely out of order.

The Acting Speaker: I say to the honourable member, the motion begins, "That in the opinion . . ." Therefore, this motion is totally in order.

Mr. Ruston: You had better go back to law school and learn a little bit.

Mr. Treleaven: Mr. Speaker, you have ruled against me and, since there have been precedents set both ways—I am sure in coming to that ruling you are aware of the precedents, both in the Mother of Parliaments and in this House, going both ways—I ask you to provide this House, at a later date, with examples of rulings both ways so that the matter may be clarified and our standing orders modified to follow your ruling.

With respect, I suggest your ruling and the standing orders are not compatible. However, you having ruled, I wish to state a few words about the substance of the question.

I am certain my colleague across the House has the greatest of motives: the best possible policing service in the province. However, I want to draw attention to the last part of the motion. It states that the provision should be commensurate with the payments received from the municipalities under such agreements. What the member is suggesting is a linkage of the dollars paid with the additional obligations. He is trying to equate the two.

The decision as to whether a service is commensurate with payment received would be entirely subjective, drawn strictly upon the lines as to those that are paying and those that are receiving. When a municipality enters into a contract for policing, it goes into the consolidated

revenue fund. When the Solicitor General makes allowances for policing in estimates, that is an entirely separate decision by a separate department. There is no linkage or connection between the two. The problem manifests itself at that point. The municipality, of course, expects the money to be equated. It expects it to go into boots, squad cars, uniforms, et cetera.

Mr. Eakins: Like buying an airplane for the Premier (Mr. Davis).

Mr. Treleaven: No. Municipalities have not yet bought any jets that I have heard of in Ontario.

Mr. Eakins: Money goes towards it, though.

Mr. Treleaven: But the municipalities do not believe it is; they believe it is going to go into the boots, badges and the walkie-talkies.

Mr. Eakins: They are being short-changed.

Mr. Treleaven: However, in reality what we face here is that different police forces in Ontario may have different standards. The money may go into upgrading of training, sending them to the police college at Aylmer—is it the skid school that my friend the member for Oshawa (Mr. Breagh) likes to refer to? In the expenditure of these funds, even in the instances where the money is equated, there may be an overrun. In fact, the services rendered may exceed the amount of dollars set aside. This will bring around several problems.

Number one, I do not think the member for Kent-Elgin would have suggested that if the dollars overrun the services or if the services are in rural municipalities where they are not being paid for, the police services should be withdrawn. Either where it is not paid for or immediately when the gong goes the services are used up for the dollars, I do not think the member is suggesting the services should be withdrawn.

A second problem is that it is a user-pay concept. He is suggesting this linkage and, therefore, he is into a user-pay concept: so many dollars, so many services. He is asking that should go in.

In conclusion, let me say that I do support the high standards of the Ontario Provincial Police. In recent years they have done an excellent job, and it is reflected by the high levels of public confidence the force enjoys. However, the increased size of the force needed to enter into these contracts assumes there is an unlimited source of funds; that is not so. That is why, in the area of municipal policing, it becomes necessary to evaluate existing practices and other

improvements rather than to try to use the dollars and equate services. That is entirely unworkable, because the left hand and the right hand have no connection. The member is trying to create an unworkable linkage.

4:20 p.m.

The member opposite, being from a rural-urban constituency and being aware of how important the issue of policing is to many municipalities, I am sure means well, but the resolution would create more problems than it would solve. Therefore, I ask my fellow members to vote in the negative, even though I would submit, were I able to do so, that the resolution is out of order and I would not have had to make this speech.

The Acting Speaker: I want to respond to the point of order of the honourable member. Looking at the standing orders of the assembly, number 15 refers very clearly to “any bill, resolution, motion or address, the passage of which would impose a tax or specifically direct the allocation of public funds.”

This motion we have before us today is, in my opinion, not directly or specifically seeking the allocation of such funds and, therefore, the suggestion that it is out of order is not in context.

Mr. Eakins: Mr. Speaker, I very much appreciate your decision. When it is accepted by this House, I am sure it will be very much in order. I appreciate that you have reinforced that. I will be very disappointed indeed if the members of the government party do not support this. In fact, I say to the honourable member, I am sure they will support it. I would be very much surprised if they did not.

I appreciate very much that the member for Kent-Elgin has introduced this resolution. I commend him for it, for I feel it is time that we talked more about policing in Ontario. I think it is very timely, because the police in the province have been under a great deal of criticism for some time.

While we might reflect and say that perhaps some of it is of their own doing, I think that much of the criticism has to do with the inequities in policing in Ontario. I believe it was in May 1980 that I introduced a private members' resolution pointing out the inequities in the funding of police forces in Ontario, that our municipal forces were not being funded at the proper level to do the job that is expected of them.

We need good municipal police forces in Ontario. I also agree with my colleague that

those municipalities with smaller forces, whether they have 10 members, five members or fewer, which might want to be policed by the Ontario Police Commission, should have that opportunity.

Also, if they want to maintain their own municipal force, they should have that opportunity too, provided they can carry out that function in accordance with the regulations of giving good police service in this province.

I have had some experience with the municipal police forces, and I am pleased to say, for instance, that in the town of Lindsay we do have what I think is one of the finest municipal forces in Ontario. I am also proud that the chief of that force is the president, this year, of the Ontario Association of Chiefs of Police.

I say not all municipal forces should be under Ontario Provincial Police, but if they cannot afford the funding, and they have other needs, then they should have that option. I point out also that some municipalities that have opted for the Ontario Provincial Police have decided to maintain their own forces, because there are other hidden costs, such as supplying your own bylaw officers, which is something they did not realize before.

We must also take a look at the fact that there is a great deal of difference in the operation of a municipal force and of the Ontario Provincial Police. Regardless of that, if there are problems with our police forces in this province, we do have the Ontario Police Commission, which should be very active in ensuring that the standards of policing are up to par. I do not believe we should be waiting until a municipal police force gets into trouble, and then dump on the police, saying this is the problem with municipal forces, that they are not doing their job.

I believe the Ontario Police Commission has a job to do. They should have been doing it before, and I am pleased to see that there is more activity in carrying out their mandate at present. We have good municipal forces, and the Ontario Police Commission should be more active in seeing that there is a high standard of policing in these municipalities.

Many of the problems and concerns can be summarized in statements that were made in the standing committee on public accounts on May 1, 1980, by Mr. Hilton, who was then the Deputy Solicitor General. I want to quote some of his remarks to highlight some of the problems. He said:

"We have in the province of Ontario a

hotchpotch of relationships between the Ontario Provincial Police and certain municipalities. We have some municipalities that pay for their policing; we have other municipalities that do not pay for their policing. Some municipalities pay part of their policing; some municipalities have police grants of \$15; other municipalities have grants of \$10." I want to refer to this in a moment also.

"This has been of some concern to me," Mr. Hilton says. "I brought it to the attention of Mr. McMurtry, and it is of some concern to him. The establishment of a regional government is one problem that affected the dual grant structure." He goes on to mention some of the inequalities among the various municipalities.

He says: "Representation has been made to the minister and to myself by certain small rural towns that say it should be the other way around, and I can say there is some justification in their arguments. They say, 'When we go out to buy a police car, we buy one; when we go out to buy uniforms, we buy three. A region goes out and buys them cheaper by the dozen. We are the ones who should be getting the higher grants, rather than the larger places that have greater purchasing power.' I am not prepared to say whether that is right or wrong; I do not know, but I think it is something that should be seriously looked at."

One of the problems among our various police forces is the fact that our municipal forces are in some trouble because they do not have the same per capita grant as the large regional municipalities. There is a difference of \$5; it was \$10 and \$15, but I believe it has now been raised to \$12 and \$17. The rural municipalities and smaller towns need that funding because of the problems associated with their police forces, because they have extra responsibilities and because they have miles of extra road and area to cover. I therefore feel that a difference of \$5 should not exist.

Policing and problems associated with policing have been seriously looked at, and I regret that most members of this House and of the public are not aware of the Pukacz report, which was authorized by an order in council of this government to look into policing and other services in Ontario. I urge all members to get that report and take a look at it, because they will find some very interesting facts in it.

If our municipalities are to be served and protected, our police forces must have adequate facilities, training and the latest, most up-to-date equipment. This means adequate

financing. If they are to be involved in crime detection and crime prevention, they cannot be expected to carry out the functions they are currently saddled with.

The transportation of prisoners—and this was in the Pukacz report—is performed in each case at the direction of the courts. I agree with Mr. Pukacz that this does not and should not fall within the responsibilities and functions of our law enforcement agencies. Why should well-paid and highly trained police officers with their various benefits be acting as chauffeurs in a shuttle service that moves prisoners from courts to jails and back again? I think it is wrong.

This report states that the use of specially trained and highly remunerated police officers for custodial functions on the way to court and in the courts could be performed at much lower cost by trained civilian staff or by custodial or special officers. This is one of the reasons why the costs of municipal policing are high.

I strongly support the resolution of my colleague the member for Kent-Elgin, because it highlights some of the problems associated with policing in Ontario. I hope all members of the House will support the principle of this resolution, and I am sure the members of the government party are going to support it. I will be very surprised if they do not, for it points out needs that are recognized even by the government and by one of the deputy ministers of the Solicitor General's ministry.

In closing, I want to say that we must support policing in Ontario, whether it is additional Ontario Provincial Police funding and officers that are needed or whether it is good municipal police forces. I commend my colleague the member for Kent-Elgin for introducing this resolution and thank him for the opportunity to speak on it.

4:30 p.m.

Ms. Bryden: Mr. Speaker, this resolution appears to be aimed at correcting a practice this government all too often follows, namely, collecting money for cost-sharing a responsibility from another level of government and then diverting some of that money to other purposes.

It has been done by the province in health, post-secondary education and many other fields. It undermines the whole principle of cost-sharing when there is no direct connection between the amount paid by the level of government purchasing the service and the amount actually spent on that service.

The member for Oxford suggested the resolution was out of order because it dealt with the

spending of public funds. But it is not asking for extra funds; it is simply asking that the money paid by the municipalities which contract for OPP services should be spent on OPP services. The money should be spent in terms of delivering the services they contracted to buy.

The way to deal with that and to make sure it happens is to set forth in the agreements that the contract will cover so many officers, so many posts in the area, so many additional support staff and so on, and that there be a regular accounting of whether those commitments have been met. Then it should be reported in the public accounts that those commitments have been met, that the contract has provided exactly what was purchased, or the Provincial Auditor should not pass the accounts.

If one looks at the public accounts, one finds that the Solicitor General received a total of \$1.8 million in 1979-80 from municipalities that signed agreements with the ministry for OPP policing. In the previous year, the ministry received a total of \$1.6 million. These are not small sums. The public accounts and the estimates do not show exactly what that money was spent on. This is the purpose of this resolution, to see that the money paid by the municipalities for OPP services is actually spent on those municipalities and is providing them with a specific set of services.

In 1979-80, there were 12 municipalities that signed contracts. This does not seem like a very great number, but it does give the smaller municipalities the option of choosing whether to run their own services or to buy OPP services. As the introducer of the resolution has mentioned, there are arguments on both sides.

A local police service may be thought of as being closer to the people. It is often staffed by people who grew up in the community. It may have a better public image because people regard it as their police force. On the other hand, an OPP unit coming into the community may bring in people who have had no previous connection with the community. It introduces bureaucracy. It often means a complaint has to be relayed to a distant supervisor.

I believe the complaints about police activities should not go to the police; they should go to an independent body so that people feel there will be an independent investigation if there are complaints of unsatisfactory service or treatment.

We do have legislation to encourage municipalities to set up their own police forces. Grants are provided in the unconditional grants legisla-

tion, but as one of the previous speakers pointed out, the grants are much higher for regions than they are for area municipalities.

While there may be some differences in costs, if the province wishes to encourage local municipalities to set up their own police forces, those police grants should be increased. Until this year, they had not been increased since 1977. Four years went by with no grant increase. Then in January, as a sort of pre-election goodie, it was announced they were going to be increased by the magnificent sum of \$2 per capita.

That raised the grants for regional municipalities from \$15 per capita to \$17. It raised the grants for area municipalities from \$10 to \$12 per capita.

In the larger cities, policing costs as much as \$50 or more per capita. In the smaller municipalities, it probably costs about two thirds of that. So the police grant is providing only about one third of the total cost, and there is this gap between the regions and the area municipalities.

I maintain if the province wants to encourage local police forces—and I think there are a lot of arguments in favour of it—they should close the gap between the two kinds of police grants. Give all of them the same per capita amount, because the smaller municipality needs the money perhaps to cover a wider area, a more scattered area, a smaller population, and in some cases a more diverse set of problems. They cannot specialize as much. They may also have to purchase some specialized services, such as the Ontario Provincial Police's laboratory services. They need money for that—a supplementation of what they can provide themselves.

I hope if this resolution passes, and I support it, we will first of all have an accounting of what is done with the money paid by municipalities contracting with the OPP to perform their services. In addition we will look at the whole police grant situation and try to see if we cannot encourage more municipalities to operate their own police forces.

Mr. Barlow: Mr. Speaker, I would also like to comment on the honourable member's resolution. Many members in the House will recognize the policing agreement in question emanates from section 64 of the Police Act, as it states in the resolution. The act states that "the Solicitor General may enter into an agreement with the council of any municipality for policing of the

whole or any part of the municipality, or with any company for the policing of an area by the Ontario Provincial Police force."

It goes on to state that in municipalities having a board, "no agreement shall be entered into under this section, except at the request of the board." In light of the nature of this legislation I would ask the honourable member to consider whether this resolution would not damage the integrity of the Police Act, as it is stated above.

I say this for three different reasons. First of all, it should be clear to everyone this resolution impinges on the authority of the government to allocate funds, as it sees fit, to the multitude of areas of government responsibilities.

4:40 p.m.

My second reservation about this resolution is more related to what it would do to the system. It should be noted that when the honourable member presses the Solicitor General to make additional obligations on existing policing agreements he injures both the present police funding process and the 262 municipal police forces across the province.

The fact is those regions in Ontario without a municipal police force of their own receive protection from the Ontario Provincial Police which is financed as a whole by the province. In light of this let us all be reminded of the words of the Ontario Police Commission in stating the primary responsibility on behalf of the citizens of this province.

The commission proclaims, "We envisage this province policed by a system of sizeable, efficient municipal police forces which, with a deployed Ontario Provincial Police force, will provide a network of protection to the people of this province, all linked together by intercommunication, co-operation and co-ordination of effort."

Inherent in this statement of objectives is the diverse nature of duties that our police forces, both municipal and OPP, perform. Nevertheless, it also acknowledges the close association of the forces and the intermeshing of their responsibilities. With this in mind I fail to see how the resolution furthers that aim. Surely no one will debate the fact Ontario is a community of widely diverse and heterogeneous areas.

I feel it is important we do not disturb the two-pronged approach to policing this diverse province, nor do I believe we should condone attempts to alter the per capita funding procedure for police services.

Perhaps it would be generally agreed regional

municipalities have the need for a larger policing effort. Large urban centres, sprawling industrial areas, outlying urban communities, all of these environments need sophisticated, modern police protection. To provide this service, regional forces must spend more for equipment, stations and manpower. Compared with the needs of the rural areas, the policing of regional municipalities requires—

Mr. Kerrio: You told us regional government was going to be more efficient.

Mr. Barlow: It is. That is what I am saying.

Mr. Kerrio: You just said you have to spend more money. Make up your mind.

Mr. Barlow: That's right. They do, but they have a bigger area to serve. I think the member agrees with that.

Mr. Epp: You don't believe that.

The Acting Speaker: Order.

Mr. Barlow: I think it is a more efficient service in our community. The member for Waterloo North knows it is. This is especially the case when we consider the superb policing job performed in the outlying rural communities by the Ontario Provincial Police.

Mr. Kerrio: That's regional government for you. You're saying it but you don't believe it.

Mr. Barlow: Certainly I do. I have always stood up for the police forces and their efficiency.

My final concern with the resolution deals with the effect it would have in areas of additional ministerial funding.

We live in a period of restraint. I do not think I should have to remind any of the honourable members of that. It would be wrong to vote this resolution in the affirmative when the arguments for its passage have been so unpersuasive, in my opinion. The structure of policing in Ontario risks damage with its passage and further the privileges of the government to formulate budgeting policy are held in disrespect. I conclude my discussion by asking we responsibly consider the implications of this resolution and the unfortunate ramifications of its passage.

Mr. McGuigan: Mr. Speaker, I want to thank the honourable member for Oshawa. As he stated, my resolution does not address all the problems, but I was not attempting to solve all the problems. I admit there are many. Some municipalities receive free policing services due to considerations made years ago. The Pukacz report speaks about 17 per cent of the taxpayers

receiving free policing. On top of that, their municipalities receive the \$12 or \$17 per capita, depending whether they are in a county or a region. But I am not addressing that and I do not see how our resolution addresses that or changes it in any way, as some members have tried to suggest.

I really do not think I should respond to the arguments of the member for Oxford because his point was out of order and I think his arguments are also out of order. But I do ask that he reconsider his position on this resolution. I would ask him why one community, for whatever reason and through whatever political actions were taken in the past, should now be denied the option of contracting for OPP services.

I certainly believe in the principle, as I mentioned earlier, of returning money to the consolidated revenue fund. We are not asking, as was suggested, that dollar-for-dollar arrangements be made between the contracting body and the Solicitor General. We simply want to open up the process so new communities that might want to use the OPP would find a mechanism to allow them to be paid for their services in sufficient amounts, but not on a dollar-for-dollar basis.

I am surprised the government members are opposed to the resolution when the Solicitor General has on previous occasions endorsed the principle of my resolution. It is rather strange we would find this opposition. It makes one wonder, as in so many other instances, what they are trying to hide. I thank the member for Victoria-Haliburton and the member for Beaches-Woodbine for their support and I respectfully urge all members to support it.

In conclusion, I cannot see any injury to the present arrangement as suggested by the member for Cambridge (Mr. Barlow). There is no attempt to alter present funding arrangements, although I admit perhaps there is need to do so, as suggested by Emil K. Pukacz. My resolution, if passed, would simply allow municipalities that are now hiring their own police force to change that force to the OPP. I think in many cases those officers who might be affected would probably be allowed to enter the OPP stream through their schooling system, so there would be very little change in jobs. The money would be allowed to be paid to the government through whatever means the government would choose—not because of my resolution; the Solicitor General's budget would accommodate that.

UFFI REMOVAL ACT

Mr. Swart moved second reading of Bill 153, An Act to provide for the Removal of Urea Formaldehyde Foam Insulation.

Mr. Swart: Mr. Speaker, this bill is brought before the House on two counts today within the context of a deplorable situation for home owners with urea formaldehyde foam insulation. First, they are experiencing disastrous health and financial problems. No home owners could be in a worse position today than if they had to renew their mortgages and at the same time have homes insulated with urea formaldehyde foam. Second, there is a total absence of any remedial action by government, provincial or federal, in this province.

I think the health and financial problems of the UFFI home owners are so obvious and have been so well documented that I am not going to deal with them at great length here today. I have numerous newspaper clippings and other documentation I could use. For instance, Harold Stevens, a chemist from Port Hope, when speaking in Waterloo stated that urea formaldehyde foam insulation causes brick mortar to weaken and can cause brick homes to come tumbling down. He says the potential damage is in the billions of dollars.

4:50 p.m.

I have another newspaper clipping from August of this year, "Cancer Linked to Foam Gas. 'A new study has shown conclusively formaldehyde gas causes cancer in rats,' says Dr. Arthur C. Upton of the New York University Medical Centre."

I have a newspaper item here from the medical officer of health in Brantford. He says there is no question in his mind the gas is causing serious problems. Dr. Breysse, who is an associate professor in the department of environmental health of the University of Washington and who has been doing work in this field for 20 years, says it is a health hazard; it is not good as insulation and it is extremely hazardous in fires.

If we need any more documentation, I suggest the members of this House should read the National Research Council documents and the final report of the advisory committee to the government which was tabled this year on April 23 in the federal House.

If one does not believe all of those documents, he could ask people who have urea formaldehyde foam insulation in their homes. It is a frightening experience for many of them.

Some of them tell me they thought they were going out of their minds until they found it was the urea formaldehyde foam insulation.

The only experts who minimize the problem are the ones hired by the industry. Some members may think I am overstating the case, but anyone who does not think there are massive problems created by UFFI is either not reading the documentation or deliberately misreading it or is not talking to the UFFI home owners. If members want to talk to some of them in the gallery today I am sure they can bear out what I say.

It is the worst environmental problem ever faced in Canada. If the 100,000 homes and the 250,000 people living in them comprised one city it would be a disaster area, a calamity of immense proportions, far surpassing any floods or other natural or man-made disasters.

Never have victims been more innocent, more blameless for their plight. They were being good citizens. They were willingly carrying out the urging of government and they were using a material and doing it in a way the governments were promoting.

The inaction of the governments in remedying this problem is, I suggest, totally inexcusable. The degree of the continuing problem has been known for many months and many years.

It was approved, as we know, in 1977 by Canada Mortgage and Housing Corporation and under the Hazardous Products Act for use. There were warnings by the National Research Council at that time. In 1979, when the approval for use was lifted by an official of CMHC, within three days political forces were brought to bear and it was reinstated. That 20-year senior member of CMHC, Mr. George Brewer, resigned as a result of it.

The studies of the problems resulted in the temporary ban in December 1980. The final report of the expert committee was tabled on April 23, 1981, seven months ago. At that time a permanent ban was placed on it. The buck-passing on this matter, during all of these years and particularly during those last several months, has been almost unbelievable.

I want to quote two statements: The Honourable Mr. Timbrell, in Hansard of May 12, 1981, in an answer to me said, "The responsibility very clearly is on the shoulders of the level of government which approved the use of the product in the first place, the federal government."

Then if we take the federal Hansard of October 27, 1981, the Honourable Mr. Ouellet

in replying to a question on this in the federal House said, "The honourable member, like many other Canadians, is mistaken when he says it is the Canadian government's fault that this product was used by the home owners in the first place. Much of the blame lies with the provinces which failed to set very specific standards when large numbers of contractors started getting into the home insulation business."

There is an example of the buck-passing and there is no question about it that both levels of government are to blame.

The federal government report on the testing of 4,000 homes to determine the seriousness, was to be in by September. Then it was supposed to be in by November, then November 30, and now we know it is not likely to be in until the new year. Then there will probably be no action by the federal government. Even if it ultimately does decide to do something, it will be well into next year.

The province itself has been extremely negligent. It did not bar the use of urea formaldehyde foam insulation under the building code. The government had the power, and we extracted this acknowledgement from the Minister of Consumer and Commercial Relations (Mr. Walker) in the justice committee the other day. He said they had the power to change the legislation, to prohibit it.

The government did not make a building permit a requirement, as it could have done, to ensure it was put in properly. It should have known the problem. I know the ministry is relying largely on the federal government, but it had authority and responsibility, particularly in the public health field, and in that field the responsibility rests totally with the government of Ontario. Yet it did nothing.

I must admit that ultimately, but only under great pressure, the government did commit itself to a more comprehensive testing program than in any other province. Now we are moving along at something less than an acceptable pace, but we are moving along. By the end of October, there had been some almost 7,000 tests requested and some 2,500 carried out.

I want to point out the results of those tests, and they were contrary to what the Minister of Health (Mr. Timbrell) said in the House today. We got this information from the Ministry of Health just yesterday, and when I said between 10 per cent and 20 per cent homes had a major problem the minister laughed at me. The facts are the ministry itself showed that 13.2 per cent

of the houses tested and reported on to date show the level above 0.1. So we do have numbers between 10 and 20 per cent. The testing to date is just confirming the seriousness of the situation. In the Niagara Peninsula the number of tests taken there show that something like 30 per cent of the homes are above the 0.1 level.

I acknowledge many members of this government are concerned and want help for the victims in their constituencies. I know the members for Scarborough-Ellesmere (Mr. Robinson), High Park-Swansea (Mr. Shymko) and St. George (Ms. Fish) have stated that. The member for Fort William (Mr. Hennessy) appeared at a meeting in his riding and said he is going to write the Ontario Minister of Consumer and Commercial Relations and request assistance for the home owner. He plans to contact Ontario's Attorney General (Mr. McMurtry) and then to be sure of some action, he will bring the matter up with the Premier (Mr. Davis) and the Minister of Northern Affairs (Hon. Mr. Bernier). Here in this bill today, we have the opportunity to do something about the situation.

Certainly action by the government is overdue. The problem has been documented and analysed. One would not think much of a doctor who diagnosed a serious illness and then did not provide any available remedial treatment. People have the right to apply the same yardstick or metre stick to this government. This government must use the remedial measures available to it. This is the reason for my bill and the three accompanying resolutions.

I think we recognize today that Quebec has moved ahead of this province in providing some remedial measures for the home owners with urea formaldehyde foam insulation who are having health problems.

The three resolutions I have tabled are in themselves very important. It means municipalities shall licence contractors removing the urea formaldehyde foam insulation. The building code will be amended to require a building permit for removing it so there can be inspection and there can be testing before it is retrofitted. It would also require the Ontario government to reduce property assessment value by an amount equal to the reduction in the value because the home owners have urea formaldehyde foam insulation.

It is inconceivable and unforgivable that the Minister of Revenue (Mr. Ashe) has not taken

the initiative. In fact, by not lowering the value of those homes for assessment purposes he is contravening his own act.

5 p.m.

But apart from the three resolutions my bill is the most important. It provides a method of getting the UFFI out in cases where it is causing an immediate problem. I have a statement here by Dr. Peter Breyse, who is the leading expert on this, which says, "Tear the stuff out. It is really the only answer to it."

My bill is straightforward. It is somewhat similar to the one in Massachusetts. According to it an owner or tenant with health problems due to UFFI applies to the municipal building inspector for an order to remove the UFFI. The building inspector assembles, inspects and forwards the documentation of the problem to the provincial director of the building code. The director may issue an order to one or all three of the installers, distributors and manufacturers to remove the UFFI and return the building to its former condition, or where the owner has already removed it, reimburse him for his cost. There is an appeal to a commercial registration appeals tribunal to assure it is fair, and the order is enforceable through filing with the county, district or supreme courts.

I hope no one tries to kill this bill by saying the province cannot do it constitutionally. I have checked with three lawyers knowledgeable in the powers of the province, I have checked with the Legislative Library research and I have a document from them I will not read because of time but which indicates very clearly this province has the power to pass this bill.

Perhaps I could just read a statement by Peter Hogg, an authority on the constitutional law of Canada. It says, "The law of contract is mainly within provincial power under property and civil rights in this province."

There is sound reason to believe that it is within the competence of this province to enact and enforce this bill. I recognize this bill in itself does not provide a solution to all home owners with UFFI; those who do not have a health problem, for instance, are not covered by it. But it could sort out the whole liability issue and involve the federal government. If it results in court cases, as it likely will, the federal government can be drawn in as a defendant.

Incidentally, the Massachusetts legislation is now before the courts and is awaiting a decision. It will likely be made before the end of this year and will likely be favourable to the legislation. If it goes to court it has the advantage that the case

will be between the province and the companies and huge costs will not be assessed to individuals.

I also hope no one uses the excuse that we should not pass this because it will shift emphasis away from the federal government's responsibility. Some of these companies do have a responsibility. It is recognized that auto manufacturers, where there is a hazard in the automobile, must make it right: the cars will be recalled. Some of us in this House will remember thalidomide, where the drug company had to take responsibility for the consequences of the use of that drug. And 80 per cent of the installations of the urea formaldehyde foam insulation are illegal. There are good grounds for the companies to take responsibility.

This bill, as already stated, could well involve the federal government. The officials of Home Owners with Urea Formaldehyde Foam Insulation—and we have a number of them here today—are not going to let the federal government get off the hook.

The members on the other side cannot really vote against or block this bill because of some vain hope that someplace down the road the federal government is going to reimburse these people. This bill is a practical way to do something now to meet the immediate serious problems of those who are suffering the worst, and to do it within the power the province possesses. To reject this bill would be a callous, cynical blow to thousands of helpless victims in this province.

Let me conclude by reading a letter I received on October 28, one of the hundreds that have come over my desk:

"Dear Sir: I had my house insulated with urea formaldehyde in 1979. In the last year I have come down with sore eyes, headaches, pain in my chest, nausea, and want to sleep all the time. I am too tired to do my housework. My daughter comes to visit me and in half an hour she has had bad headaches and nausea. My grandchildren are the same, so they do not come to visit me any more.

"If I could move out I would, but I cannot afford it as I am on pension and I cannot keep two houses. I hope you can help me, Mr. Swart."

Mr. Swart cannot help but, by the passing of this bill today, we can answer the plea of this woman and many more like her in this province.

Mr. Gordon: I wish to outline our government's position on the problems associated with urea formaldehyde foam insulation and the steps we are taking in this serious matter.

It is time we presented our position, and we are presenting it. We are deeply concerned that thousands of Ontario homeowners feel a sense of frustration after responding to the federal government's call to conserve energy by insulating their homes with the foam, and then finding that type of insulation could be endangering their health. I think we should remember that my honourable colleagues on the other side of the House happen to be from the party that federally was irresponsible in these actions.

Although there are no precise figures available, it is believed about 30,000 dwellings in Ontario, nearly one third of the total across Canada, installed the formaldehyde foam after it was approved by the federal government in 1977. Many thousands of them did so with the assistance of federal grants under the Canadian home insulation program. The CHIT program was widely advertised and it endorsed the use of UFFI, the acronym for urea formaldehyde foam insulation. Our government had no hand in promoting the use of urea formaldehyde insulation nor in certifying it as safe and effective. That type of foam was never accepted as part of the Ontario Building Code.

We must realize that formaldehyde is not a new chemical. We all live with it on a day-to-day basis. It is a component of cigarette smoke and particle board, of shoes and permanent press clothing. The rate of exposure to the gas given off by UFFI seems to be an important determinant in affecting health. Most homes always have sources which emit very low levels of formaldehyde gas, such as in varieties of carpets and laminated counter tops. However, the introduction of large quantities of it through home insulation has dramatically raised the exposure level in these homes.

The problem with urea formaldehyde foam is that it shrinks and breaks down over time, giving off formaldehyde gas. The gas has been associated with such health symptoms as eye, nose and throat irritations, coughing, sneezing and headaches. The degree of sensitivity to the gas varies greatly among people.

After approving UFFI, the federal government took no action to ensure that installation of the insulation was being carried out correctly. Within months of its approval and use, complaints about the unhealthy effects of UFFI began to drift into Ottawa. The industry, however, was allowed by Ottawa to foam on unabated and the trickle of consumer complaints became a flood. Those prompted studies

and reports leading to a temporary ban by the federal government last December 18, a ban made permanent on April 23, 1981.

The federal government has, since then, made an adroit attempt to shift responsibility for the UFFI problem to the provinces by contending it was up to the provinces to police the applicators. That contention does not hold up to reasonable scrutiny. While the nature of the application of UFFI can indeed compound the problems, studies by the National Research Council show the federally approved foam is itself the basic culprit. To put it simply, all urea formaldehyde foams tested by the NRC were found to be unstable and gave off formaldehyde gas.

The honourable Monique Bégin, Minister of National Health and Welfare, has claimed that the federal government, as much as the home owners, was morally a victim of ignorance of the new chemicals in UFFI. The honourable André Ouellet, Minister of Consumer and Corporate Affairs for Canada, had promised to provide what he called "a responsible solution" to the UFFI problem by this fall. That decision has now been put off to January.

5:10 p.m.

This government is disappointed in Ottawa's response so far. We feel the federal government is avoiding its rightful responsibility. It appears the federal government at this time has no plans for compensation through low-interest loans or grants or whatever to home owners for remedial measures. We hope our efforts in testing homes and urging Ottawa to avoid further delay in making a decision will get the federal government to reverse its position.

Our stand in this urgent matter is supported by all the other provinces. Let me give the principal points that emerged from the inter-provincial conference of ministers of health held in St. John's, Newfoundland, on September 30 and October 1. The provincial ministers urged the federal government to provide financial assistance to provinces investigating home owners' complaints over the installation of UFFI. In addition, it was agreed that in situations where a health hazard exists the federal government should compensate home owners for the costs of removing UFFI. Further, the conference regretted that the federal government has refused to accept responsibility for the homes that were improperly insulated with UFFI through its Canadian home insulation program.

Ontario has been in the forefront of action

taken by the provinces. Two months before the federal ban on UFFI was announced, we took action on the basis of an interim report by the expert federal advisory committee on urea formaldehyde foam. The Ontario Ministry of Health alerted medical officers of health throughout the province as to the potential health risks from UFFI. We advised the health units of the technical assistance and advice that was being made available by the Ontario Ministry of Labour. In turn, the health units made this information available to the people through public meetings, newspaper advertisements and news articles.

The advisory committee, composed of non-governmental experts, recommended in its final report in April, when the permanent ban was announced, that Ottawa consider assisting home owners with UFFI problems. The Ontario government has repeatedly urged that this and other recommendations of the committee be implemented, but there has been little response from Ottawa.

Mr. Kerrio: What has your government done? Nothing.

Interjections.

Mr. Gordon: We are coming to that, if the members will just wait.

After the April 23 ban on UFFI, the federal government remained silent on the committee's recommendations for a lengthy period. Our Minister of Health tried to prod Ottawa into some semblance of action. Some time later, it announced federal initiatives to establish an information centre and a testing of 2,000 homes across Canada for formaldehyde levels, a program that began August 24. There was no mention, however, of a federal health effects survey, which we feel is necessary to determine the extent of the UFFI problem.

We felt we could not wait for the federal government to adopt a course of action, in view of the growing public concern over UFFI. In June, the Minister of Health promised every affected home owner in Ontario the opportunity to have his or her home tested for formaldehyde gas in a program coupled with the collection of health data. Our testing program is in two parts. The technical testing and analysis of formaldehyde levels is being done by the laboratories of the ministries of Health and Labour, and a health survey questionnaire for all those who request an air test is being undertaken in co-operation with Ontario's 43 health units.

Interjections.

Mr. Gordon: I might add perhaps there should be a hot air test done for some of the members on the other side.

The two parts are being collated and placed into data processing systems for analysis. As the honourable members are aware, the federal government has established 0.1 parts per million of formaldehyde gas to air as being, I quote, "the maximum acceptable concentration for most people." Our ministries of Health and Labour, employing 30 additional people full-time on the program, have tested more than 3,000 homes as of November 13. These tests have been carried out at a rate of about 225 per week. We have found that slightly less than 13 per cent of the 1,735 homes tested, in reports received and reviewed at the Ministry of Health, have formaldehyde vapour concentrations above the 0.1 figure. Slightly more than half the homes tested in our review, 53 per cent, have concentrations of 0.05 parts per million or else have less than that amount.

I think we have presented our position and I would hope the honourable members will realize this government and this ministry are doing all they can for the people of this province.

Mr. Van Horne: Mr. Speaker, I would observe that at this time the members on this side of the House are still not sure whether the member for Sudbury (Mr. Gordon) is supporting this private member's bill or not. In reference to his comments as to what the government is doing, by the time they finish correlating these two different sets of tests one would have to ask how many other houses will have fallen apart and how many more people will be found to be suffering from nausea, headache, nose bleeds, et cetera?

It reminds me very much of the old western way of knowing when the turkey is cooked by stuffing it with popcorn. When the tail end blows off the turkey, the turkey is cooked. That kind of analogy is a good one to use in this instance because it reflects the turkey attitude the government has taken.

We should get something straight at the outset. What we are all obliged to do is to quit pointing fingers of fault at various federal or provincial governments and offer a challenge to them to do something positive to help these people.

The government has a duty to act. I am constantly amazed when we on the opposition side listen to government members deny numbers when numbers are used. We heard earlier in the House today, when the Minister of Health

was responding to a question—at least that was the implication through the nodding, the asides and the interjections from the government side—that few people in the ridings of government members are afflicted with any of the ills of urea-formaldehyde foam insulation. It would seem we on this side are the only people who have constituents suffering from problems.

Yet the mail I get and the evidence I have in front of me is that this is a universal problem. It seems when the time is appropriate the government members do the appropriate thing. They duck and say, “It really does not apply to us.” It applies to all of us. I urge every one in this chamber, for heaven’s sake, to put partisanship aside and let us get on with finding a solution to accommodate these people.

The community which I come from impressed this on me and my federal colleague the member for London West, Mr. Jack Burghardt, of the same political leaning as I. We attended more than one meeting and have taken the words of the people who are affected either directly or indirectly in the form of a petition to this House and a petition to the federal House, bearing the names of more than 2,500 people.

I would submit also that those in the government have a colleague, the Minister of Consumer and Commercial Relations from the riding of London South, also in my general community, who has people affected and afflicted by this. It is a big deal at home. It is not something to be laughed or shrugged at. One full page from Monday, October 26, is one of many press clippings I could present to the House as evidence of the magnitude and the universality of the problem. It affects all of us. Let us take up the challenge and realize that.

There is one other piece of evidence. Some members from southwestern Ontario are very much aware of a happening known as the Western Fair. It is the small version of the CNE. My colleague from London-Centre, Mr. Peterson, and I have a booth at the fair each year. We are prepared to go out and listen to the complaints of people. We do not run and hide. We are out there; we will take it. We will take it in the nose if it is coming to us or we will try to help if people are looking for help.

5:20 p.m.

We were there for the full 10 days of the fair, and the biggest concern presented to me and my colleague was the concern of those people who were directly suffering from the effects of urea formaldehyde foam insulation, or those who had family members living in a home with this

insulation and who were having problems. That was the biggest complaint we had. I think evidence such as that demands that we get on with the job.

The government claims it is testing. That is fine, and we would not criticize them for that. There are areas of criticism that could be offered. I am sure my colleague from Prescott-Russell (Mr. Boudria) will also add a few comments about those who have already paid for testing out of their own pocket. We are not being critical of that. We are being critical of the fact that this has happened and no one is apparently ready and willing to pick up the challenge.

The government must show its sense of responsibility by doing something more than conducting two different types of testing and correlating them. The Quebec government has indicated it is at least prepared to relocate those who are suffering very severe health problems. Whether they are going to bill the federal government or not we do not know. That is not our concern. Let us not sit around and take a look to the east and a look to the west, and say they are not doing it in British Columbia but they are doing it in Quebec. It really does not matter a great deal because we, in Ontario, say it is the federal government’s fault.

Come on, let us grow up and face it. Who else is going to do it? Are we going to let the unions do it? Are we going to say to the Catholic Women’s League: you go out and do it? Who is going to do it? There are 125 of us here in Ontario who have chosen to seek public office. We were elected out of the more than eight million people. There are 125 of us, and the people in this province look to us as those who have the duty to act. Let us get on with the job.

The basic issue here is the ill health that people suffer. Aside from the fact the buildings are deteriorating in some cases, where the installation may have been done improperly, or where the mix of ingredients may have been improper, the basic concern we have is for the health of the citizens here in Ontario.

The member from Sudbury used the parts per million numbers as the bottom line in the test as to whether something should be pursued beyond a certain point of testing or investigation. I have been told by experts that homes tested to such a low level as 0.03 parts per million, which is even lower than you are suggesting, still have other pollutants in them as a result of the installation of urea formaldehyde. These include such pollutants as phosphoric acid particles, sulphu-

ric acid particles or chloral hydrate particles. Chloral hydrate, if members are not familiar with it, is the old knockout drop that was used illicitly back in the 30s and the 40s in the days of rum-runners and others.

These other pollutants, or factors, are part of the problem too, so the test, of itself, is not the determining factor. It is the health of the person. If the person living in that home is suffering ill health, I think that should be the criterion, and I think what the member for Welland-Thorold is trying to do in his bill is get the government off its collective bottoms and pick up the challenge.

The day I presented the petition, I was told by the clerk it could not be presented—this was after I introduced it—because it would mean the government would have to spend money. I had to use the argument that the government could call for action without spending money. This is what the bill is doing. It is calling for action without the expenditure of public funds. At least the government can do that much to show its responsibility to the people suffering ill effects.

The Deputy Speaker: Time.

Mr. Philip: Mr. Speaker, because of my commitments in another committee, I have not had the benefit of the early part of this debate. But I feel very strongly about this bill; I feel very strongly in support of it. I was privileged to second the bill and to attend, with the member for Welland-Thorold, a number of meetings of home owners who are affected.

I would like to start off my remarks by reading to members a letter I received from a constituent. I spoke to that constituent today, and because he happens to be involved in business in the community, he asked that I read the letter but not provide the name and address. I think it illustrates in a very vivid way, stories told to me by the hundreds of people my colleague and I have met with, in my own riding in Etobicoke and in the various hotels the meetings were held and so forth.

It reads: "Dear Sir: It will be years soon since the government banned the use of urea formaldehyde foam insulation. Not much progress in solving the problem has been made since, although thousands of people like us are going through a great deal of suffering, not only physically but emotionally and mentally.

"The results of my many calls to the Ottawa line, are some literature and promise of tests." Remember, Mr. Speaker, this letter is dated October 27, so it is not an old letter I am reading.

"But although there is physical suffering in our house we were not even in this test group at the federal government level.

"An employee of the provincial government took three air samples a few weeks ago. No results as yet. I am the person in our family who spends most of the time in the home and I seem to be affected the worst. Complete dryness of the mouth and nose, dry blood clots in the nose every morning, breathing difficulties, et cetera.

"My 12-year-old son complains about a clogged nose every morning. Naturally we worry about the health hazards which are not visible or noticeable at this time yet.

"There was a brief relief during the summer months having the doors and windows open literally night and day. Although we have already low temperatures, we have the thermostat on 15 degrees centigrade and a couple of windows open steadily, which seems to bring some relief. However, it defeats the purpose of the insulation since our heating bills will be tremendous when it gets colder.

"The only way out seems to be to get out of the house, but the real estate value has dropped to peanuts, so we could not afford to buy a new home. The alternative is removing the insulation. However that seems to present another big problem or even hazard and the estimate we had was for \$30,000. We just do not have the money.

"So we are trapped helplessly in the situation after we followed our government's urge to preserve energy, supported by the CHIP program grant. Since there are many home owners in this area in the same situation, we ask you for your support in obtaining government help and action soon."

It is signed by this constituent of mine in Rexdale. I have met with many of them. I have also sat in the living room and while I did not experience some of the eye-watering problems that some of my constituents have talked about, I noticed that even one half hour in one or two of the homes resulted in the kind of nasal discomfort that so many of them speak about.

It is absolute nonsense to talk about these people suing the companies. If one looks at the October 24 article in the Financial Post, in the legal column, it reports on suits against Borden and Rapco for \$1.5 billion by two home owners who claimed they had suffered damages as a consequence of installation of urea formaldehyde foam. It deals with the tremendous amount of money it costs even to take on such a suit. It says, "In Quebec, where the loser pays court costs of one per cent of the amount of the action

in cases over \$100,000, the two individuals, had they lost the class action suit against Borden and Rapco, in theory could have been liable for \$15 million in costs."

5:30 p.m.

To talk of these large multinational corporations being sued by ordinary home owners who simply cannot even afford the amount to take out the insulation is to ask them to take a risk no person in his right mind would take, faced with the odds and with the possibility of losing. To ask him to jeopardize all his income and all his family's future with the possibility of having to pay for those kinds of legal fees just is not reasonable.

As the New Democratic Party housing critic, and as an MPP representing a riding where there are a number of constituents whose homes are damaged by the urea formaldehyde foam, I have had the opportunity to meet a great number of the affected people. They are not willing to take that kind of legal risk and it is unreasonable to ask them to do so.

I have listened to one horror story after another. This is a very moderate bill. One of the requirements of the bill is that before an order for removal or reimbursement is made, an applicant must first provide evidence that he or members of his family are suffering ill health as a result of the urea formaldehyde foam insulation or that existing ill-health conditions are aggravated as a result of the urea formaldehyde insulation in his dwelling. Thus, it does not require the replacement of the insulation in every home in which it has been installed, even though that certainly would be desirable. It affects approximately 20 to 30 per cent of homes with UFFI.

Those of us on this side of the House might perhaps have to answer the question are we premature. I would like to remind the honourable members that in June, I and my colleagues in the New Democratic Party forced the urea formaldehyde foam insulation issue into the public in this Legislature. We tried to force the debate in committee. This committee investigated the resolution and because of the Conservative majority managed to scuttle it. We had an opportunity to do a thorough investigation at that time and to call in the experts, to call in the home owners, to call in those people who are affected in a very dramatic way and find out the facts. Of course, the Conservatives in the committee managed to see that was scuttled.

On June 22, the social development committee ruled down the NDP resolution which is as

follows: "That this committee investigate the extent of health, economic and other problems being experienced by owners and occupants of houses containing urea formaldehyde foam insulation within the province and report to the Legislature as to what measures should be taken by the Ontario government, alone and in conjunction with the federal government, to eliminate the health hazards and economic losses." It turned out that the Conservatives, with their marching orders from the government whip, managed to see that resolution was scuttled.

I am asking the members opposite not to let anyone tell them how they should vote in private members' hour. This is a bill that dramatically affects a number of people in their ridings. Indeed, it affects the one major, and in very many cases the only, investment that many of their constituents have. Their homes have dropped in value. It is affecting ordinary people. It is not just a health hazard, it is also an economic problem they are facing.

If they have any respect, if they have any empathy for some of the hard-working people in their ridings who are losing their savings and also incurring a health hazard, they will vote in favour of this bill.

Mr. Robinson: Mr. Speaker, may I inquire how much time is available before I start?

Mr. Speaker: Seven minutes are available.

Mr. Robinson: I am pleased to participate in today's debate on urea formaldehyde foam insulation. I know this is one of the many subjects on which the member for Welland-Thorold has shown concern and his actions in this regard are to be commended. It is incredible to realize this entire fiasco could have been completely avoided if the federal government had heeded the warnings of the National Research Council and other bodies long before the Canadian home insulation program was announced.

My colleague has already outlined the actions taken by the Ministry of Health and the public health units across the province. The ministry, unlike the federal government, has carried out more testing and more inspections in Ontario than have been done in the rest of Canada. The Ministry of Consumer and Commercial Relations and the Ministry of Labour have also been involved in this process. The commitment of this government continues to be to co-operate with the federal government to assist in testing and information gathering, and to urge action to

provide some form of retrofitting in those houses with unacceptable levels of formaldehyde gases.

UFFI is not a material which is recognized in the Ontario Building Code. Staff of the Ministry of Consumer and Commercial Relations building code branch had reservations about the insulation because it has a tendency to shrink and crack which reduces its insulating effectiveness and properties, because it deteriorates over time and because its flame spread rating is unrealistic.

Many thousands of people in Ontario responded positively to the CHIP program. The cause of preserving energy is an admirable one. Unfortunately, innocent people are now the victims of the federal government's haste and the carelessness of some of the installers. It has taken a great deal of pressure from the provincial governments and angry consumers for the federal government to start reacting to our concerns.

Consumer and Corporate Affairs Minister André Ouellet has stated he shares these concerns but feels it would be appropriate to wait for the results of the current testing program. A little earlier, the member for Welland-Thorold quoted the federal Hansard but he was a little skimpy in his quote. I would like to give the members the benefit of Mr. Ouellet's answer in more detail.

He responded to a question in the House of Commons on October 27, saying, "If some contractors who are licensed by the provinces failed to install this product properly with unpleasant consequences for home owners, the blame lies first of all with the manufacturers of the product, secondly with the contractors who did not install it properly and, finally, much of the blame lies with the provinces which failed to set very specific standards when large numbers of contractors started getting into the home insulation business."

I find it incredible that the federal minister is pointing the finger at everyone else in sight when he ought to know perfectly well that the entire situation was caused by federal sloppiness and deceit. This type of attitude does not bode well for those people seeking financial compensation to remove the foam. It is not surprising that it comes from the man who used to look after another fine federal institution of efficiency, that was the post office.

As much as the member opposite would like not to believe, there is contradictory evidence that UFFI is a health hazard. The Quebec

government has recently announced an assistance program that will relocate people to new neighbourhoods for a six-month period or so, pay their rental expenses and about \$250 for moving expenses.

While this is an interesting approach, it is not solving any problems for the people involved. There has been enough personal and financial disruption as it is. Running away from the problem and not doing anything for the long-term good really does nothing to solve the problem. While Quebec may profess that it is going to send the bill to Ottawa, there is absolutely no guarantee and no measure of certainty that the federal government is going to pay that bill when it arrives.

The province must continue its effort to pressure the federal government to take action quickly and thoroughly in those cases where there is overwhelming proof of high gas levels, health problems and structural damage.

5:40 p.m.

Ottawa should be prepared to compensate those home owners and provide whatever retrofitting is necessary to remove this hazard from the home. There are many such home owners in my riding and, contrary to what members opposite have said, it is not a problem in any way exclusive to opposition-held ridings. I would like to read into the record part of a letter that I received from Patricia Clark, a resident of Scarborough, who is the secretary of the association called Home Owners with Urea Formaldehyde Foam Insulation, Ontario. This letter was received following a rally that the member for Welland-Thorold, the member for Parkdale (Mr. Ruprecht) and I attended on behalf of this Legislature outside this building some weeks ago.

Mrs. Clark writes, and I quote: "We appreciate your concern over our plight, and hope that the Ontario government will continue its pressure on Ottawa to find a solution for this disaster as soon as possible."

Surely, by the end of December, the government of Canada will have its assessed test results and will reach a decision. I will continue, as will other members of this House, to work with the Ontario government to exert pressure on the national government to take whatever corrective action can be taken this fall while there is still time before winter is upon us. It is a sad and unfortunate lesson we have all learned. I will continue to work until everyone who has been involved in this tragedy has their problem solved to their satisfaction. I realize I still have a

minute or so remaining to me. I know the member for Welland-Thorold has also reserved time, and I will yield the rest of my time for his wrapup.

Mr. Boudria: Mr. Speaker, I thought for a while I would not get to speak on this bill.

Mr. Speaker: You have three minutes.

Mr. Boudria: Well, I am not sure I do have time with only three minutes, but I will just make a few very brief remarks. First, I have noticed the members of the New Democratic Party blaming the government and the government blaming the federal government, which is all very nice, but does not really accomplish much. What we should address ourselves to right now is the solution to the problem, as has been stated by the member for London North (Mr. Van Horne). There are a few flaws in the bill. It puts most of the blame on the installers and things of that nature, but on general principle I respect the fact that the bill is attempting to find a quick and immediate solution to the problem we have. That is what is important, and that is why I feel we should all vote in favour of the bill.

I notice the member for Scarborough-Ellesmere told us a little while ago that the Quebec solution is not a solution. He said they are going to pay part of the rent or most of the rent for people to relocate for a certain number of months, and that is not a solution. With all due respect, I disagree. If one has to move outside, has no place to live and no money, and somebody is going to pay the rent for three months, that is a solution. That is what we should be doing in this House. We should be assisting the people immediately.

Whether we bill the federal government later or wherever we get the money is almost irrelevant, because this is an emergency. We should deal with the problem right now and help the people, because that is our responsibility as elected officials. We should forget this nonsense about reading all the statistics, such as the member from Sudbury read us a while ago, and those other things that have been remarked upon by the member for Scarborough-Ellesmere. What we should all do is all vote in favour of this bill, then go back to our constituents and tell them we have a solution to their problem, which is very urgent.

In closing, I have received letters from constituents complaining to me, but I cannot read them into the record because of the lack of time. However, there is one other problem we

have not addressed in this particular legislation. Many constituents have paid out of their own funds to have urea formaldehyde foam insulation tested prior to the Ministry of Health's program, which was started recently. I have one case of a Mr. Lalonde in Hawkesbury, Ontario, who paid \$370 of his own money to be told that the urea formaldehyde foam insulation had to be removed from his house. Let us all vote in favour of this bill and stop procrastinating on the solution.

Mr. Speaker: The member for Welland-Thorold has three minutes.

Mr. Swart: Mr. Speaker, I thought it had been announced that I had four minutes, but I will keep it to three.

First, I want to refute the members speaking for the government of Ontario who stated that they never gave approval to this and that, in fact, they did not want it to be done. I have here a leaflet put out by the Ministry of Consumer and Commercial Relations that says "Think about insulation" and names the types of insulation. The bottom says "foam insulation." It goes on to give details on foam insulation and says that it is permitted in this province. Not only that, but this leaflet was picked up in this lobby just six weeks ago. Six months after the foam had been banned, the provincial government was still promoting it.

It has been mentioned, and rightly so, that a class action is really not possible in this province because there is no class action legislation here. It is not possible anyhow, because of the cost, so if people want to take action against the manufacturers, the distributors or the installers, they have to do it on their own. The great majority of these people are elderly; they are poor and they live in older houses; they simply cannot afford it.

The bill we have before us gives us an opportunity to provide a solution for the people who are suffering most in this province from urea formaldehyde foam insulation at little cost to them and at practically no cost to the Ontario government; we will incur only the administration costs.

As others have said, I say to the people on the opposite side of the House, please support this bill. It is a method of bringing about some needed action to give relief to people who are suffering intensely through no fault of their own. If the government means what it says about waiting for the federal government, I suggest that they should pass this bill tonight anyway. They can proclaim it in a month or in

two or three months, if they do not want to proclaim it now because they want to wait for the federal government. They should pass this legislation now while the House is in session.

This is a matter on which there should be some emphasis, because it is a matter over which the government has full authority to pass legislation and administer. It is a bill that would, as I have said, provide the relief that is necessary for people who are victims through no fault of their own.

I hope this private members' hour will be a private members' hour, and that members on that side as well as on this side will vote with their conscience and not with their party.

MUNICIPAL POLICING AGREEMENTS

The following members having objected by rising, a vote was not taken on resolution 24:

Ashe, Baetz, Barlow, Birch, Brandt, Cousens, Dean, Drea, Fish, Gillies, Gordon, Gregory, Grossman, Henderson, Hennessy, Hodgson, Kolyn, Lane, Leluk, McCaffrey, McCague, Miller, F. S., Norton, Pollock, Ramsay, Robinson, Rotenberg, Runciman, Sheppard, Snow, Stephenson, B. M., Sterling, Stevenson, K. R., Treleaven, Villeneuve, Walker, Wells, Williams, Wiseman—39.

5:50 p.m.

UFFI REMOVAL ACT

The following members having objected by rising, a vote was not taken on Bill 153:

Ashe, Baetz, Barlow, Birch, Cousens, Dean, Drea, Gordon, Gregory, Grossman, Henderson, Hodgson, Johnson, J. M., Kerr, Lane, Leluk, McCaffrey, McCague, McLean, McNeil, Miller, F. S., Mitchell, Norton, Pollock, Ramsay, Runciman, Sheppard, Snow, Stephenson, B. M., Sterling, Stevenson, K. R., Taylor, G. W., Treleaven, Villeneuve, Walker, Watson, Wells, Williams, Wiseman—39.

BUSINESS OF THE HOUSE

Hon. Mr. Wells: Mr. Speaker, I wish to indicate to the House the business for tomorrow and next week.

Tomorrow, we will resume and likely complete the estimates of the Ministry of Northern Affairs.

On Monday, November 23, in the afternoon and evening, we will consider the estimates of the Ministry of Revenue.

On the afternoon of Tuesday, November 24, we will consider legislation in the following order: Third readings and any private bills awaiting second and third readings; second reading and committee of the whole on Bill 167 standing in the name of the Minister of Municipal Affairs and Housing (Mr. Bennett); committee of the whole on Bill 143 standing in the name of the Minister of the Environment (Mr. Norton); second reading in committee of the whole House, if required, on Bills 125, 104, 107 and Bill 1 standing in the name of the Attorney General (Mr. McMurtry); and second reading in committee of the whole on Bills 147 and 170 in the name of the Minister of Municipal Affairs and Housing (Mr. Bennett). What is still remaining we will consider on the evening of Thursday November 26.

On Tuesday evening, we will consider the estimates of the Ministry of Revenue.

On Wednesday, the usual three committees, general government, resources development, and administration of justice may meet in the morning.

On the afternoon of Thursday, November 26, we will have private members' ballot items 19 and 20 standing in the names of the member for Simcoe East (Mr. McLean) and the member for Prescott-Russell (Mr. Boudria).

On Friday, November 27, we will continue the estimates of the Ministry of Revenue.

The House recessed at 6 p.m.

CONTENTS

Thursday, November 19, 1981

Statements by the ministry

Baetz, Hon. R. C., Minister of Culture and Recreation:

McMichael Canadian Collection 3652

McMurtry, Hon. R. R., Attorney General and Solicitor General:

Use of French language in courts 3651

Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics:

Federal budget 3647

Report on BILD 3651

Norton, Hon. K. C., Minister of the Environment:

Liquid industrial waste 3649

Oral questions

Baetz, Hon. R. C., Minister of Culture and Recreation:

McMichael Canadian Collection, Mr. Smith, Mr. Laughren 3655

Davis, Hon. W. G., Premier:

Constitutional resolution, Mr. Cassidy, Mr. Sweeney, Mr. Wildman 3658

Canadian Admiral, Mr. Cassidy 3659

Constitutional resolution, Ms. Bryden, Ms. Copps, Mr. Cassidy 3664

Drea, Hon. F., Minister of Community and Social Services:

Consent for psychiatric treatment, Mr. Van Horne 3664

Pope, Hon. A. W., Minister of Natural Resources:

Aboriginal rights, Mr. T. P. Reid, Mr. Stokes 3665

Wild rice moratorium, Mr. Laughren 3666

Timbrell, Hon. D. R., Minister of Health:

Urea formaldehyde foam insulation, Mr. Swart, Mr. Van Horne 3662

Consent for psychiatric treatment, Mr. Van Horne 3663

Walker, Hon. G. W., Minister of Consumer and Commercial Relations and Provincial Secretary for Justice:

Residential Tenancy Commission appointments, Mr. Smith, Mr. Philip 3656

Canadian Admiral, Mr. Peterson, Mr. Cassidy 3659

Reports

Standing committee on procedural affairs, Mr. Kerr, adjourned 3667

Standing committee on social development, Mr. Shymko, tabled 3667

Motion

Estimates, Mr. Wells, agreed to 3667

Private members' public business

Municipal policing agreements, resolution 24, Mr. McGuigan, vote not taken 3668

UFFI Removal Act, Bill 153, Mr. Swart, vote not taken 3678

Other business

Similarity of private members' bills, Mr. Kolyn.	3647
Ontario energy investment, Mr. Smith.	3667
Answers to questions on Notice Paper and response to petition, Mr. Wells, tabled.	3667
Royal assent, the Honourable the Lieutenant Governor.	3667
Business of the House, Mr. Wells.	3688
Recess.	3688

SPEAKERS IN THIS ISSUE

Baetz, Hon. R. C.; Minister of Culture and Recreation (Ottawa West PC)	
Barlow, W. W. (Cambridge PC)	
Bernier, Hon. L.; Minister of Northern Affairs (Kenora PC)	
Boudria, D. (Prescott-Russell L)	
Breaugh, M. J. (Oshawa NDP)	
Bryden, M. H. (Beaches-Woodbine NDP)	
Cassidy, M. (Ottawa Centre NDP)	
Copps, S. M. (Hamilton Centre L)	
Cousens, D.; Deputy Chairman and Acting Speaker (York Centre PC)	
Davis, Hon. W. G.; Premier (Brampton PC)	
Drea, Hon. F.; Minister of Community and Social Services (Scarborough Centre PC)	
Eakins, J. F. (Victoria-Haliburton L)	
Epp, H. A. (Waterloo North L)	
Gordon, J. K. (Sudbury PC)	
Kerrio, V. G. (Niagara Falls L)	
Kolyn, A. (Lakeshore PC)	
Laughren, F. (Nickel Belt NDP)	
Mancini, R. (Essex South L)	
McGuigan, J. F. (Kent-Elgin L)	
McKessock, R. (Grey L)	
McMurtry, Hon. R. R.; Attorney General and Solicitor General (Eglinton PC)	
Miller, Hon. F. S.; Treasurer of Ontario and Minister of Economics (Muskoka PC)	
Nixon, R. F. (Brant-Oxford-Norfolk L)	
Norton, Hon. K. C.; Minister of the Environment (Kingston and the Islands PC)	
Peterson, D. R. (London Centre L)	
Philip, E. T. (Etobicoke NDP)	
Pope, Hon. A. W.; Minister of Natural Resources (Cochrane South PC)	
Reid, T. P. (Rainy River L-Lab.)	
Robinson, A. M. (Scarborough-Ellesmere PC)	
Ruston, R. F. (Essex North L)	
Sargent, E. C. (Grey-Bruce L)	
Smith, S. L. (Hamilton West L)	
Stephenson, Hon. B. M.; Minister of Education and Minister of Colleges and Universities (York Mills PC)	
Stokes, J. E. (Lake Nipigon NDP)	
Swart, M. L. (Welland-Thorold NDP)	
Sweeney, J. (Kitchener-Wilmot L)	
Timbrell, Hon. D. R.; Minister of Health (Don Mills PC)	
Treleaven, R. L. (Oxford PC)	
Turner, Hon. J. M.; Speaker (Peterborough PC)	
Van Horne, R. G. (London North L)	
Walker, Hon. G. W.; Minister of Consumer and Commercial Relations and Provincial Secretary for Justice (London South PC)	
Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)	
Wildman, B. (Algoma NDP)	

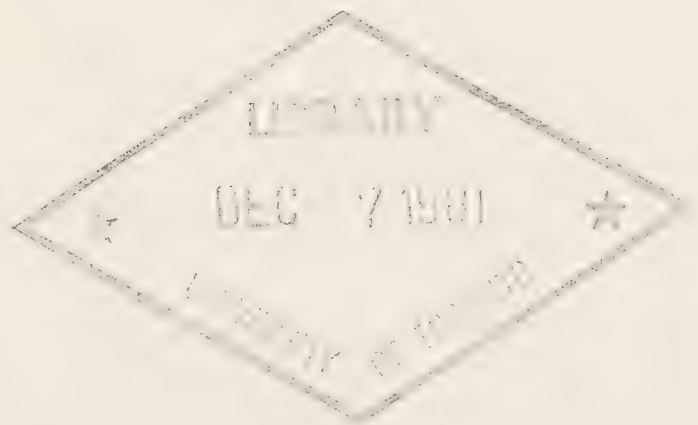


Ontario

No. 103

Legislature of Ontario Debates

Official Report (Hansard)



First Session, Thirty-Second Parliament

Thursday, November 19, 1981

Evening Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Thursday, November 19, 1981

The House resumed at 8 p.m.

ONTARIO ENERGY INVESTMENT

Mr. Smith moved, seconded by Mr. Ruston, resolution 36 under standing order 63(a):

That, noting the government's continued refusal to table significant information which led to the Premier's decision to purchase 25 per cent of the common shares of Suncor Incorporated, a decision to be ratified on November 20, and the overwhelming need for additional financial support for health, education, industrial revitalization and energy substitution programs instead of the commitment of \$650 million to the Suncor purchase, this House no longer has confidence in the government.

Mr. Smith: Mr. Speaker, I want to discuss this motion, basically, under two headings. First, I want to discuss the deal itself and, second, I want to talk about the secrecy surrounding the deal. I believe both of these are very important topics. Both of these should be well and thoroughly understood, especially since it is our understanding that the government had at least the original intention to sign this deal tomorrow. If we are to judge by this morning's press, there might be some delay. Perhaps, if the minister speaks a little later, he will advise us of when he does anticipate signing this deal. But the signing, I gather, is imminent. I think it is important that we thoroughly understand the deal in all its aspects.

Let me speak first about the Suncor purchase itself and, later on, about the secrecy surrounding it. To deal with the purchase: When I see my friend the Minister of Energy (Mr. Welch) here, I recall that old Wayne and Shuster routine where somebody says to Julius Caesar on the Ides of March, "Julie, don't go." I say to the minister: "Bobbie, don't sign. Don't sign, Bobbie."

I know Malcolm Rowan wants it. He needs his pension set right now. He deserves his reward for all those years in the Premier's office. I understand how difficult it is to be serving coffee to the Premier (Mr. Davis) from time to time. With all due respect, he can find another job somewhere and earn an honest living. He does not need to have the province set him up for life in this way. Frankly, I can think of no

other good reason for the purchase of these Suncor shares.

Let us talk, however, about this particular purchase. First of all, this is the kind of expenditure that I know the mayor of Geraldton would never have considered. This is the kind of purchase no one in public life could seriously undertake, given the financial circumstances facing the administration of this province.

First of all, there is the cost, which we have discussed at length. I do not want to labour points we have already discussed, but we know \$650 million is to be assigned to this. We also know high interest is to be paid; whether it will be 17 per cent or whether with a little delay we might get it down to 16 per cent—we will see—or maybe 14 per cent, it is a lot of money. The Treasurer (Mr. F. S. Miller) may feel that 15 per cent interest rates are comfortable, but they are not comfortable for very many people, let me assure the minister.

In any event, there is a high cost to be paid for the Suncor purchase, and this is at a time when the Treasurer has professed great concern with the size of Ontario's deficit. The Treasurer does not miss a day when he can chastise the government of Canada for deficit financing; but here, in a province that does not have the money to pay for it, we are going to go out and borrow at today's interest rates to buy something we do not need. This really does not make a lot of sense.

The first problem is the cost. The second problem is that we are in a situation where energy is a serious concern for the future. Certainly anything that would secure our energy future would be very welcome, even if it were expensive, but no honest man can stand before the people of Ontario and suggest that this deal secures additional oil for Ontario that otherwise would not be available to us.

The simple fact is that whatever oil may come from the tar sands of Alberta, which is the major place that Suncor produces, is already under federal legislation and will flow to market just as readily if Malcolm Rowan is not sitting on the Suncor board as if he were sitting on the Suncor board.

His window, out of which I suspect will fly a

lot of money but into which will come little that is illuminating—his window on the oil industry is of precisely zero value in terms of bringing additional oil into Ontario. Further, I point out that his window on the oil industry is of less than zero value in terms of anything we can do with the information that might just happen to come his way at lunch at the Oilmen's Club.

In point of fact, we do not regulate the oil industry in Ontario, a fact that the Minister of Energy will come to understand once he gets used to his relatively new portfolio in which he has been for only a year or two now. It will take him a while longer, I am sure. Soon it will dawn on him that we do not regulate one iota of the oil industry and, therefore, having a window on it is utterly without value.

The minister will say that, because of Canadianization, more federal tax money will flow directly or indirectly to Suncor. That money may be used for exploration. Conceivably they may find something when they explore, and that way, by being the agent that catalysed the flow of federal tax dollars to Suncor, we will be able to take some credit if they happen to use that money to find additional oil. Nothing could be more fallacious. Any other Canadian company, preferably one that is not as much in debt as we are, could do the same by purchasing the same 25 per cent of Suncor, and yet no one will. They have all turned it down.

Further, if we want to have a government buy it, then for heaven's sakes tell Peter Lougheed to buy it. Lougheed has the money; he has the Alberta Heritage Savings Trust Fund. The industry is located in his province. They are his damned oil sands. Why are we buying a company in his province? I understand my good friends from the New Democratic Party. I understand that in their case the idea of government buying anything that moves is going to be popular. It does not matter where it is, it does not matter how much it costs, it does not matter if it is an industry we need or we do not need—

Mr. Cassidy: We will not buy the Liberal Party of Ontario. Be assured of that.

Mr. Smith: I have seen the NDP's financial picture, and they could not afford to buy even us. Almost anybody could, but they could not.

Mr. Cassidy: I heard you were selling it.

Mr. Smith: The fact of the matter is that we expect the NDP to buy anything that sounds like it is a company, because the whole idea of governments owning things makes them happy.

Please understand that I have no objection to government ownership of companies where some logic and common sense might say it is a good idea. For instance, I would sooner have bought Denison than see us get into a long-term contract with Steve Roman.

Why in heaven's name would we wish to buy a company in the tar sands of Alberta? The minister says to us, "That's where the action is." Does the minister realize the message he is giving to people when he says, essentially, that it is worthwhile to borrow money to invest in an Alberta resource enterprise when we do not have money to invest in our own manufacturing companies? Does he not understand the message?

8:10 p.m.

If the government says Ontario is no longer where the action is and we have to go and invest elsewhere, does he understand the message that is being subtly transmitted? It is being transmitted along Bay Street and throughout our society in Ontario that the government basically has given up on Ontario being able to reverse its present industrial decline and has decided instead to get into speculative investments in the oil business, because that is where the big shooters are; that is where the action is.

I wish the minister would rethink his statement when he said to us he is investing there because that is where the action is. That is a terrible selling short of the potential of this province. During the provincial election, the minister points out, I had some critical words for the direction of our economy. I said we were tenth and last in economic growth, and so we are. I said there were going to be massive layoffs in Ontario, and so there are.

I said South Cayuga was a boondoggle, had nothing to do with environment and was a white elephant that should not have been chosen, and I have been proven correct. I said there would be acid rain problems that would menace our tourist industry and it was about time the government did something about it, and so there are. I said that 13 grades of school probably could be compressed into 12, and so they can be.

Admittedly, they won the election, but the simple fact is, that is no credit to anything they may have said or to the way they are running the province since they won it. Certainly if the people knew—

Hon. Mr. Welch: We showed we believed in the people of Ontario.

Mr. Smith: That is why the government is investing in Alberta and that is why the minister is telling us that is where the action is.

Hon. Mr. Welch: We will tell you why in a few moments, as soon as you sit down.

Mr. Smith: I am looking forward to hearing why.

Hon. Mr. Welch: We happen to believe in the people of Ontario.

Mr. Smith: The minister believes in the people of Ontario by sending 37,000 of them out to Alberta, and now he is sending their money to follow them. We know how he believes in the people of Ontario.

The Suncor purchase will not secure a barrel of oil, not one, for Ontario. We go on. Will it secure jobs for Ontario? Apart from a job for Malcolm Rowan, it will not secure a single job for the people of Ontario—

Hon. Mr. Welch: Can't you make your point without being so personal? Surely the issues are the issues. Leave people out of the issues.

Mr. Smith: Leaving the people out of the issues is exactly the habit of Ontario's government at the moment. The people would like to know something about this issue.

Hon. Mr. Welch: Why do you have to make your point by being so personal? Why don't you talk about the issues?

Mr. Smith: Really, now. Is the minister going to tell us his father was a clergyman the way the Minister of Culture and Recreation (Mr. Baetz) tells us?

Hon. Mr. Welch: My father was a railwayman. Why be so personal? Surely you can make your points without being so smart.

Mr. Smith: I see.

When one invests money in Ontario, the money will circulate through the economy and it will create jobs. If one invests a dollar in Ontario, the multiplier effect will bring about a job-creating mechanism that otherwise would take \$3, \$4 or \$5 to create. But if one invests the money outside Ontario, there is not the slightest hope that any jobs will be created in this province.

We are facing a 20 per cent increase in layoffs in Ontario in one month alone, and we are investing \$650 million without the hope of creating as much as one job in Ontario. The deal makes no sense at all from any reasonable point of view.

The answer we get from the Treasurer, who of course is dead set against the deal, is that it

will pay off financially. He says the assets of the company are very great and valuable and, with the passage of time—with the increase in the price of oil to be commanded by tar sands oil as a result of the new pricing arrangement between Ottawa and Alberta—the company will make a lot of money and Ontario will find itself having turned a capital gain by having invested at this stage of the game. The company's prosperity in the future will redound to Ontario's financial gain somewhat down the line. That is what we are told.

That is very interesting. In the first place, I hope that is true. I really do. There is no reason why I, as a citizen of Ontario, should wish upon the Suncor purchase the same fate that befell the purchase of Townsend for \$54 million, of South Cayuga for \$36 million and of the Pickering lands for \$270 million. I do not wish upon Suncor the same miserable fate those white elephants met with in Ontario and the costs that the people have had to bear. I hope it turns out to be a good speculative investment.

But what in heaven's name are we doing speculating on the stock market when we have many other priorities far more important in front of us in Ontario?

Will it be a good speculation? That is difficult to know. I am told by my friends on Bay Street that there are a good many buys available now on the market. I am told that there are certain resource companies that can be picked up pretty cheaply and might do pretty well as the years go by. I am told that there are a number of bargains in real estate available because of the high interest rates and so on. It is conceivable that Suncor may turn out to be an amazingly profitable company in the future.

But, again, what business is it of Ontario to be speculating in the oil business? There can be no conceivable justification for that in the face of all the other problems in front of us. I could understand the heritage fund speculating on the oil industry. They have the money, and they need a place to invest it. The brokers say that might not be a bad place 10 years from now; what else are they going to do with their dough? That is fine. But we do not have the money; we have to go out and borrow it.

I appeal to my friends of all parties to use their brains. Why would we want to go out and borrow at today's high interest rates in a province that already has far too high a deficit? Why would we want to go out and speculate on the stock market at this time? Can we think of nothing better to do with our money than to go

out and buy speculative investments? Is that the limit of the imagination of the government of Ontario?

We are told the new price will be favourable, and we are told that with Canadianization great incentives will flow to the company. As a consequence of Ontario buying 25 per cent of Suncor shares, a lot of money will flow from the federal government into the Suncor treasury as they continue their exploratory program. That will increase the earning capacity of Suncor and presumably will result ultimately in an upward valuation of their assets. I understand that; I am not unaware of that.

But I wonder if the Minister of Energy has taken a moment to consider just how much these assets will need to appreciate to make the deal a good one. We have been assured by the Premier that we are going to make 15 per cent on our money. Obviously that will be after we have paid for the money; otherwise, we will be losing, because if we pay 15 per cent or 17 per cent and we earn 15 per cent, we are no further ahead. So it is presumed, and it has been said in this House, that the 15 per cent will be on top of the 17 per cent the money would cost.

Take a moment and think, ladies and gentlemen in this House. Take a moment and think; \$650 million at 17 per cent interest comes to an interest cost of about \$110 million a year. Figuring \$110 million a year, if we are going to make that back plus 15 per cent on top of that, we are going to have to make, roughly speaking, \$200 million a year—\$100 million to pay off the interest and \$100 million to earn the 15 per cent on the \$650 million we are putting in. So about \$200 million a year would have to come to us.

8:20 p.m.

Mr. Cassidy: That is cockeyed.

Mr. Smith: Why?

Mr. Cassidy: You are double-counting.

Mr. Smith: No, no. They say we are going to make—

Interjections.

Mr. Smith: Listen to this. Think a moment. I understand the NDP has difficulty with simple arithmetic. The member worked for the Financial Post. The amazing thing is he worked for—

The Deputy Speaker: Order, please. Let the Leader of the Opposition go through it again then.

Mr. Smith: I will go through it again, Mr. Speaker. Just imagine—

Mr. Cassidy: I used to make my living at this.

Mr. Smith: I hate to say that his success in journalism was equal to his success in politics; I really do not want to say anything.

I simply say that if one is going to spend \$650 million and if that money has to be borrowed—is the leader of the third party with me so far?—one has to pay interest on the money. If interest is being paid on the money and all the earnings that come in are going to be less than the interest being paid, then really one is not much farther ahead. I venture to say one is even a little bit farther behind if the interest payments are greater than the earnings.

The leader of the third party is with me so far? Excellent. Now the Premier is not so foolish a man as to stand up in front of the people of Ontario and say he anticipates a 15 per cent return at the same time as he anticipates the money is going to cost him 17 per cent, because he would be admitting to a chronic loss of two per cent a year on the whole deal.

Mr. Cassidy: That is what he is going to do.

Mr. Smith: The member may think he is going to do it. But the Premier says he is not going to do it. He says, and the Treasurer indicates, that the 15 per cent return will be over and above the cost of the money because, if they are going to lose two per cent per year in perpetuity, why spend \$650 million for the privilege of doing that? There are cheaper ways to lose a couple of hundred million dollars than to spend \$650 million to start with. I hope the basic economics have now been understood by all members of the House.

Assuming then that what he is saying is that we are going to make 15 per cent on top of the 17 per cent it costs us, that means we have to make \$200 million on our investment alone.

Mr. Cassidy: It's still cockeyed.

The Deputy Speaker: Order, please.

Mr. Bradley: He wants you to buy the whole company.

The Deputy Speaker: It is all right. I follow it.

Mr. Smith: Mr. Speaker, I will persist. So we have to make \$200 million a year.

Interjection.

Mr. Smith: Believe me, I always knew NDP economics were suspect, but today it has been proven.

Mr. Speaker, we have to make \$200 million, if you accept our premise. You understand that, don't you? You are an intelligent man. We only own a quarter of the company; that means the company has to make \$800 million. That is after

tax, because a lot of good it is going to do us to make money before tax. It has to be after tax. So they have to make \$800 million after tax for us to make 15 per cent above the cost of what the money is costing us; otherwise, why are we going to invest \$650 million?

Even if we are counting it twice, as the member says we are—in other words, if we do not count the cost of the money we are borrowing—even then we are talking about \$400 million after tax; that still comes to before-tax profits roughly in the same range. That means the company is going to have to be approximately 10 times more profitable, between six and 10 times more profitable, than it has been in its latest year of operation.

Admittedly, it only means it has to be maybe four or five times more profitable than it has been in certain other years of its operation where it did a little better and, admittedly, it will do better than it did this year because the new price it will get for its oil from the tar sands will be quite favourable. But why should we believe this company is going to suddenly increase its profitability by somewhere between six and 10 times, between 600 per cent and 1,000 per cent, overnight? No other company believed that. Twelve other buyers looked at this company and all turned it down.

It is possible; I do not say it is impossible. These things have happened before; there have been bonanzas. For all I know, tomorrow they may discover oil somewhere; it is conceivable. But is it reasonable that we should spend this kind of money in the hope that this company will multiply its profits by 600 per cent to 1,000 per cent in a year's time? It does not make sense to me.

All right. Wait. They say, however, that it can be accomplished. We, of course, ask where the proof is of this, and I will talk about that when we come to speak of the secrecy.

But I want to say something else at this point about the price—

Hon. Mr. Welch: On the price?

Mr. Smith: On the price—on spending money for this as opposed to other things.

Look around you, Mr. Speaker. We find ourselves now in very difficult economic times. We are facing perhaps one of the toughest winters that Ontario people will have known for some time. We are going to have record bankruptcies in small business, farms are going under and layoffs are being announced daily by the hundreds: Shop-Rite has just closed down, and we are going to have 650 or 700 people

without work; we have the additional Massey-Ferguson layoffs today, another 200 indefinite layoffs and no date for their recall.

Every day people are suddenly thrust out on the street, worried about their future, unable to meet their mortgages, unable to pay their rent and without the flexibility of being able to move around. Frequently a family earns two incomes just to try to survive; the wife may have one job and the husband may be laid off, or the other way around.

This is real hardship. How can the government then say to these people, that instead of putting money into manufacturing, retraining and new manufacturing industries for Ontario: "We do not have any money for you. These are tough times. You are going to have to put up with this kind of tough winter. You are going to have to lose your investment in your house or in your small business or in your farm. We do not have any money for you." And how can the government then turn around and spend \$650 million to buy a quarter of an Alberta oil company? The priorities are crazy. The priorities make no sense whatever.

Look around at our energy problems. We have energy problems—heaven knows we do. Ontario does not have oil. We know that. So what is the answer? The answer surely is not to buy an oil company when they are going to sell us the oil at the same price whether we own them or not. The answer is to substitute for oil, particularly in vehicles, so that gasoline and diesel oil will be replaced by something we can make here in Ontario.

If we were to put a fraction of this money into peat or fuel alcohol, that money ultimately could create tens of thousands of jobs in Ontario. It would allow us ultimately to keep within the borders of our province, once the programs have come to fruition, billions of dollars that now flow out of Ontario to buy gasoline. It makes no sense to assume that we are stuck with oil forever and to pay a heavy price just to get on the bandwagon to own some oil shares in Alberta.

The priorities are crazy. Look at our resource industries. Agriculture is in trouble. The deputy minister himself said two days ago that we are in danger of losing our best farmers. He said we do not have a plan for agriculture. We need money to help these people. The forest resource industry is in trouble. They are shutting down towns all over the north, and if we do not reforest, if we do not replant trees, there will be permanent ghost towns in northern Ontario;

and the minister will live to see that. We do not have money to put into the forests of northern Ontario; we are limited in the amount of money we can spend. But we can buy an oil company in Alberta. It does not make sense.

What about the human resources? In the field of health, the minister now is talking about introducing user fees, introducing a tax on the sick and the elderly. Why? Because he says we do not have money. The government has money to buy an oil company, but it does not have money for the sick and the poor.

8:30 p.m.

Today I had occasion to visit just around the corner at the University of Toronto. I went to see the department of geology. I went to see that department because it happens to be a world-class department; it was compared with the California Institute of Technology and the Massachusetts Institute of Technology. They have a world-class department, and they are housed in a building not far from here, just around the corner, a little walking distance.

I wish the minister had been with me to see what the cutbacks in higher education that the province has implemented over the years have done to the department of geology. Thank God, there are good people there, and they are going to continue to make that a world-class department if it kills them. But they are on the brink now; they are very worried.

The minister should come with me to see the classrooms with benches that no high school or public school in Ontario would tolerate they are so antiquated. He should come and see the flooding that occurred in two of the major rooms they use for dealing with their rock specimens and for certain lectures that take place.

He should come and see where millions of dollars' worth of equipment is housed so close together that they cannot even service the equipment, because they cannot get between machines; they are supposed to have four and five feet between them, but there is no space for the machines.

He should come and see sensitive electron microscope machinery costing millions of dollars constantly being shaken by the rattling in the pipes in a 90-year-old building that is right above these machines.

He should come and see huge flakes of paint falling from the ceiling on to this equipment, making their readings meaningless from time to time, and see dust getting into all the machinery they are using.

This is geology. Even the most pessimistic members of the government, who may not believe we can do anything in manufacturing, even they believe mining has a future in Ontario. The graduates of this program are snapped up when they are ready, but they are being trained on microscopes, practically all of which are totally obsolete. When they go into industry, which has the latest equipment, industrialists cannot believe the students are still working on equipment that is several generations old, equipment that was thrown on to the scrap heap by industry years ago.

The minister should go and see the way they have to tear apart one microscope to get parts from it to put in another, because those microscopes are not made any more and they cannot find parts anywhere. Let him tell them the government has no money and then explain to them how it can spend \$650 million on Suncor. That is what I am talking about. It has no money, but it can spend this money on speculation.

Mr. Piché: I just can't believe this discussion is going on in this House tonight. It's nonsense.

Interjections.

Mr. Smith: One of the wonderful things about being in politics is the chance to have occasion to share ideas with minds as brilliant as that of the member for Cochrane North (Mr. Piché). It really makes the entire exercise worthwhile, I must say. It adds to public life a certain flavour that is matched only by comments from the member for Timiskaming (Mr. Havrot) and the member for Stormont, Dundas and Glengarry (Mr. Villeneuve). It is one of those pleasures in life one has to be here to appreciate.

The government has indicated it has lost confidence in the people of Ontario when instead of making an investment in their minds, in their research, in their education, in their health, in the human resources of Ontario, and instead of helping them as they become entrepreneurs, it has decided the only place worthy of a massive investment is the resources of Alberta. Why do they prefer the resources of Alberta to the human resources of Ontario? That is what the Suncor deal is all about.

What about the secrecy? The abuse of the democratic process we have seen in this House in the last month or so is without parallel in Canadian history. To begin with, this deal which we heard about on the day we returned from the summer recess, was announced to us by the Premier (Mr. Davis) in this House at 2 p.m. on that day.

On that very same day, meetings of the Conservative caucus and cabinet had been held. The Conservative caucus and cabinet were told nothing of this deal. Three Conservative cabinet members were told about the deal and one of them, the Treasurer (Mr. F. S. Miller), vehemently and violently disagreed with it. It was totally against his principles. Unfortunately his principles did not take him to the point where, as a man of honour, he would resign as he should have done. No one else heard of this deal.

The Premier came into the House and announced the purchase, much to the surprise of the people sitting behind him. We then stood and said to the Premier—this was the beginning—“Could you explain to us the rate of return you expect and how you are going to pay for this deal?” The Premier said to us, “Come to the press conference at 4 p.m. and you will hear all about it.” That was the beginning of the arrogance which knows no parallel.

At that point we went on to ask for a compendium of information which, under the rules of the House, we are entitled to when such a major statement is made in the Legislature. For well over a week we received no compendium at all—nothing. Eventually, a pile of propaganda and garbage consisting of the annual report of Suncor, available in the library, and a speech once given by the Ministry of Energy on the exact opposite topic—namely, how to get away from oil completely and how to get on to conservation and replacement—is presented to us and alleged to be a compendium answering the questions of how they will pay for it and how much money they will earn from the deal.

Insult is added to injury when the Speaker in his great wisdom and based, I am sure, on impeccable advice, tells us a compendium may be, under the rules of the House as he interprets them, anything the government says is a compendium even if it is a Mickey Mouse comic book.

We then adopted other tactics. They made continual reference to the compendium which did not exist. They refused to table any of the studies. We said, “Would you table the studies which led you to make this purchase?” They said, “No, we cannot table them.” They refused to. We said: “Would you answer the question, how do you expect to get a 15 per cent return? How are you going to pay for the deal?”

They refused to answer. Finally, we had a filibuster. We tell them we want the information. At that point the minister comes in with

crocodile tears and tells us, much as it hurts him to do this, he is thinking of the poor civil servants who have to buy groceries and whose cheques will be delayed if he does not bring in closure. Oh, the crocodile tears, Mr. Speaker.

8:40 p.m.

Mr. Piché: You are against civil servants. Let the record show you are against civil servants. Let the record show that the next day it was proven.

The Deputy Speaker: The member for Cochrane North, thank you very much. He is resting with a drink of water, and he is ready to continue. Let him finish and you can evaluate whether he is or is not.

Hon. Mr. Welch: He is being provocative. He is ignoring the needs of the real people, thousands of real people. They are being held hostage by that man.

The Deputy Speaker: Mr. Minister of Energy, I do not want to debate with you. It is his debate.

Mr. Smith: I think you should throw the minister out, frankly.

So the minister cried his crocodile tears, and those very salty tears ended up causing moisture to fall on the first closure order in 100 years in the Legislature of Ontario. But the next morning, we found out what it was all about. We went to the committee and said, “The civil servants now can get their groceries. All these problems are behind us. Let us now, in the committee, have a chance to get answers to these vital questions on the largest single purchase made by Ontario in many years.” The Tories on the committee voted, with the exception of the member for Leeds (Mr. Runciman), who did want information, and who has since been substituted for by the brilliant—

Hon. Mr. Gregory: Point of privilege

The Deputy Speaker: A point of privilege by the honourable—

Mr. Smith: I didn't mention this character's name. I won't sit down for that member ever. I am not going to. There is no point of privilege.

The Deputy Speaker: Would the Leader of the Opposition sit down for me please. I would like to hear what the point of privilege is. As you well know, the chair has authorization as to whether a point of privilege should be recognized. I will listen to the point of privilege and I will quickly try to rule if it is or is not.

Hon. Mr. Gregory: My point of privilege is that on behalf of the member for Leeds, I just

wanted to thank the Liberal member for mentioning his name and getting his name in Hansard. Thanks very much.

Mr. Smith: Is that is not an abuse, Mr. Speaker? Was that not an abuse?

The Deputy Speaker: He was taking advantage a little bit of the rules of procedure in the Legislature.

Mr. Smith: With the exception of the member for Leeds, the Tories on the committee voted to prevent the matter from being discussed. They then tried to say they were not trying to prevent it from being discussed. They then went on to say it could go to the House leaders. It went to the House leaders. And they met, and decided the right place for it was the committee. We went back to the committee.

In the meantime, the Progressive Conservative caucus was able to hear certain experts, so-called, who came to talk to them in private to tell them some of the things that could not be told to us.

I doubt they enlightened the members there very much, but none the less they had access to at least try to ask questions. Unfortunately they probably did not even know what questions to ask, and that is why they were not enlightened. They did have the opportunity to ask questions.

We then went back to the committee and said, "All right, why do we not now hear in committee, where all three parties are, the same people who were heard in the privacy of the Tory caucus?" The Tory majority stood up and said "No, we do not want to hear about this at all."

Mr. Piché: That is not the way it went. I have to disagree. You are premature. Put it on record: that is not the way it went. I voted the right way.

Interjections.

The Deputy Speaker: Order please.

Mr. Smith: The simple fact is that, in all the time I have been associated with politics, and I used to have some association before I entered provincial politics, in all the time I have observed high-handed and arrogant actions by governments of every political stripe, I have never seen or participated in any way in the high-handed arrogance, the contempt for the people and for democracy, that has been demonstrated by the government of Ontario on this Suncor matter.

This goes beyond all bounds I have ever even read about in the Parliament of Canada or the Parliament of Ontario. There is no conceivable

reason why the people of Ontario should not have answers to the questions: What do you expect to make on the deal? Why do you expect to make it? How do you expect to pay for it? Those are perfectly reasonable questions.

If there is secret information that needs to be whited out, such as where their next gas well is going to be, where they get their present bargains in equipment or what piece of real estate they plan to build a refinery on, that can be whited out. We always said that. But the simple, basic questions have to be answered.

To use their majority in the House for closure, to use their majority in committee after committee to prevent the facts from being brought out, is the ultimate in high-handed arrogance. As far as I am concerned they have gone beyond the pale in terms of the arrogance and the contempt for democracy they have demonstrated.

I have to ask this. What is the purpose of having a Parliament at all if merely having a majority means they can prevent any topic from being discussed anywhere, any time, by the elected representatives of the people? What is the purpose at all? I know they have lusted after a majority since 1975. I know they hungered for it, thirsted for it, slobbered for it and practically stole for it, but the fact is, having the majority does not mean they do not have to answer to parliament.

The Deputy Speaker: Order, please. I want to remind the honourable Leader of the Opposition that at times he does get slightly provocative. The member for Mississauga East (Mr. Gregory)—

Hon. Mr. Gregory: Mr. Speaker, a point of order.

Mr. Smith: Tell him to go back to his Christmas cards. What is this jerk standing up for now?

The Deputy Speaker: Order, please.

Hon. Mr. Gregory: Point of order.

Interjections.

The Deputy Speaker: Order, please. Is the member for Mississauga East going to sit down? Please sit down. I want to remind you that I recognized you for your point of order. Wait a minute, you got carried away in regard to your discussion.

Hon. Mr. Gregory: I did not.

The Deputy Speaker: Yes, you did in regard to your discussion with the Leader of the Opposition. I could not get your attention. You

kept carrying on a discussion. In that regard I feel you had your say. I am not going to recognize your point of order. I will ask Mr. Smith to continue in a reasonable manner.

Interjections.

The Deputy Speaker: Order please. Just before I recognize the member for Hamilton East (Mr. Mackenzie), I want to say to the Leader of the Opposition that I felt possibly some of your phrasing might be a little unparliamentary in regard to the standing orders of the Legislature. You may not remember them without having Instant Hansard available, but I would appreciate some statement along the line that you would retract whatever was offending the government whip.

Mr. S. Smith: Mr. Speaker, if there is anything unparliamentary in what I said, I am happy to retract it. Now I want to continue.

The Deputy Speaker: We have another point of order from the member for Hamilton East.

Mr. Mackenzie: Mr. Speaker, on a point of order: It was my understanding we had agreed on the time frame which I believe was 45 minutes for each party. With respect to this House, I think it is time the Leader of the Opposition understood he is well over his time already.

8:50 p.m.

Hon. Mr. Gregory: That is what I was trying to say.

The Deputy Speaker: I notice the whip is getting a little disturbed, and I should know that. Let me tell the whip—

Hon. Mr. Gregory: You are right.

The Deputy Speaker: I have the floor. Let me tell the whip that in my estimation if he were doing his job somebody would have told me the member had a time limit on him. I did not know that.

I will ask the Leader of the Opposition to sum up his statements, please.

Mr. Smith: Let me conclude, Mr. Speaker—

The Deputy Speaker: Very quickly.

Mr. Smith: Let me conclude by saying that never before have the rights of the people of Ontario—not my right to know anything, but the rights of the people of Ontario—been so abused as by the Tory majority in this House. They have their majority, they have misused it and they will never get another one.

We have no confidence in this government. There is no fathomable reason for the purchase

to have been made, and the sooner the people of Ontario realize the mistake they made in electing them the sooner they will start the work towards replacing them the next opportunity they have.

Mr. Cassidy: Mr. Speaker, I intend to share my time with some of my colleagues. I do not feel I am enthralled with the sound of my voice the way the Leader of the Opposition seems to be with his, because he has been carrying on tonight what sounds like a one-man band.

I want to remind him that we had an election in Manitoba just a couple of days ago. The last Liberal at the provincial level between Ontario and the west coast went down to defeat and stood number three. I want to remind him that 10 years ago there was a Liberal government in Saskatchewan. They had the same attitudes towards public ownership as the Leader of the Opposition has displayed here in this House, and it is significant that there is not now a single Liberal in the Saskatchewan assembly, either.

They have this traumatized attitude when it comes to public ownership. I remember how they dipped and dived in order to avoid making the government take over Denison Mines three and a half years ago, an investment that would have made sense for the people of Ontario. In that case we had the facts: we knew how much money was there; we had the report. It was a publicly-traded company, and we knew perfectly well that for the \$300 million we gave interest-free to that corporation we could have taken them over and brought an essential public resource into the hands of the people of Ontario.

While I have no confidence in the Liberal Party in this province, I have no confidence in the government either. As a consequence, when we get down to the vote later this evening—and the vote is going to be on whether this House has confidence in the government or not—I am going to vote no confidence in the government, and so are my colleagues in the New Democratic Party.

We have no confidence in this government because of the way the government is mismanaging the economy of our province right now. We have no confidence when day after day—

Hon. Mr. Welch: What about Suncor?

Mr. Cassidy: I will talk about Suncor. What about Massey? What about Shop-Rite? What about Houdaille? What about Admiral?

Interjection.

Mr. Cassidy: What about the way the Conservatives have encouraged the free enterprise system here in Ontario? What about the Treasurer who told the House today he thinks Allan MacEachen is too tough on foreign investment, who told the House today he wants to see more tax loopholes for people who are rich, who told the House he thinks the penalties on investors—what penalties there are in the federal budget—are just too much to be borne? What about the kind of Reaganomics we are getting here in the Ontario Legislature?

Interjection.

Mr. Cassidy: Yes, it is. It is support for the high interest rate policies: that is what we are getting from this government.

Interjection.

Mr. Cassidy: Where? I heard the Treasurer get up today, and he systematically said that the federal Liberal Party had no industrial policy.

Interjection.

The Deputy Speaker: Order, please, the member for Sudbury.

Mr. Cassidy: The member for Sudbury is obviously stung to the quick.

Mr. Piché: Are you opposed to the purchase of Suncor? I want to know. You know I like you. Tell me.

Mr. Cassidy: The member for Cochrane North is a lovely fellow as well. Just the wrong party, that is all.

The fact is for a long time this province has needed a game plan which would allow us to take control of our industry. We have not got it from the Tories. This province has needed a game plan to ensure our workers are trained for the jobs opening up. We have not got it from the Conservatives.

Mr. Piché: You will never sell Dash-7 with that attitude.

Mr. Cassidy: That is a federal crown corporation.

This province has needed more than \$150 million worth of investments in the industrial development of our province and that is all we have from this gang over here. Last March they announced a plan they called the Board of Industrial Leadership and Development program. They said it would go on for five years. The Treasurer said in the House today, "They have spent it all, boys." There is not a nickel more for any kind of industrial investment or policy coming from this government.

Hon. Mr. McCague: He did not say that. With all respect he did not say that.

Mr. Cassidy: Sure, he did. He said \$614 million has been committed. I hope the federal government will come through with a bit of money but the fact is the Conservatives in Ontario have shot their bolt. They have nothing left in their arsenal at all in terms of coming through in order to see jobs and industries created and industries strengthened. The workers of this province have no way they are going to get a job.

We have 319,000 people unemployed in our province. We had a forecast a week ago from the federal Minister of Finance that said unemployment in Canada is going to be higher for the next six years than it is now. That means unemployment in our province is also going to be higher.

We have a government in this province that says it does not give a damn when one third of a million workers are going to be without work in our province from now until 1987.

Interjections.

Mr. Cassidy: Sure, it will be different workers at different times. But I have three kids growing up in this province. I do not want them to live in a province where there are a third of a million people unemployed.

I do not want them to live in a province where we short-change people who are sick or aged. We have put user charges on everybody in sight because of the backward policies of this government. If the question before me tonight is whether I have any confidence in this government, in its determination and ability to turn this province around, the fact is I have none of that confidence at all.

I would like to talk for a minute about the Suncor move. I have been looking through some of the facts and figures here and I lead a party that believes it is about time we grabbed hold of the resource wealth of this province and used it for the people of Ontario; we happen to think public ownership of the resources makes an awful lot of sense.

I happen to be a Canadian, and that means public ownership of resources in other provinces makes sense as well.

Mr. Smith: Let Blakeney buy it.

Mr. Cassidy: I happen to think Allen Blakeney was doing a good turn, not just for the people of Saskatchewan but for the people of Canada, when that province acquired 51 per cent control of the potash industry there for the people of Saskatchewan.

I happen to think the Conservative colleagues

of the Minister of Energy and the Conservatives here should use the Heritage Fund treasury they have in Alberta to Canadianize the industry and bring it into public ownership. That should have been done a long time ago and not just now.

There are many things we should be doing but when one comes to this government, are they really bringing Suncor into public ownership? No, we are getting 25 per cent. We are caught between the devil and the deep blue sea. We have the Premier who is jealous of Hon. Darcy McKeough. Darcy has a gas company so the Premier wants his own oil company. He is going to spend \$650 million of the public money in order to get, not a whole one—

Mr. Watson: Tell us another one.

Mr. Cassidy: That is right.

Mr. G. W. Taylor: That's a Stuart Smith—

Mr. Cassidy: Oh, the member is offended by that, is he? The fact is he is offended by that as well. Maybe Darcy put him up to it. Maybe Darcy is going to come in for 13 per cent.

Interjection.

Mr. Cassidy: It is because the gas is blue. That is what they really decided they wanted. The fact is at this stage we have not got the facts to tell just how good an investment this is. The Leader of the Opposition thinks it is a bad investment because he is opposed to any kind of public involvement.

Mr. Smith: Do not be stupid.

Mr. Cassidy: And so he says, "Reject it." I would like to know whether we should not be taking 51 per cent right now in order to have control, and everything that means in terms of how we could use Suncor as an instrument, not just for development in western Canada, but also for development here in this province.

9 p.m.

We have enormous potential oil and gas wealth in Hudson's Bay, which has never been touched or explored, and on Canada lands here in Ontario. But the fact is we do not know just how much the Ontario Energy Corporation will have to put into the sidecar company. We know, however, that the sidecar company will probably have to be 75 per cent financed, not by Suncor but by the Ontario Energy Corporation, in order that it benefit from the Canadian ownership provisions under the federal national energy policy.

I have been looking at some of the profit figures for Suncor. Their profit back in 1976 was

\$23 million; \$36 million in 1977; \$58 million in 1978; \$170 million in 1979; and \$306 million in 1980.

Mr. Smith: And what is it this year?

Mr. Cassidy: This year we do not know. This year it is down substantially, but it will bounce back, because on September 1 the federal government, which this Liberal leader in Ontario is disowning, changed the rules. The rule change is enormously beneficial to Suncor in terms of the income coming in from its synthetic oil holdings in Saskatchewan. But we do not know exactly what the impact is going to be.

I do not know how to value a company whose profits have gone from \$36 million in 1977 to \$306 million in 1980. It is going back down in 1981 and somewhere along the way the government says we are going to get a 15 per cent return on the investment made by the people of Ontario or, one way or another, \$100 million or so a year. I am not sure how that is going to be achieved, but I happen to think that people in this province, not just me or my party here in this Legislature, have a right to know. People in the province have a right to know whether we are backing away from 51 per cent now, which is surely available, because of the ideological hangups of a government that is prepared to support Canadianization but is not prepared to support real honest public ownership and public enterprise on behalf of the people of Ontario.

These are the kinds of questions we would like to know the answers to, but we have been blocked. The Leader of the Opposition has gone on at great length about the parliamentary manoeuvres that have been used by the government, which has used and abused its majority to appoint—as I suggested yesterday, its public relations are obviously being run either by Genghis Khan or by Attila the Hun—

An hon. member: Or Bud Gregory.

Mr. Cassidy: Or Bud Gregory, that is right. The three stand together.

This is a cynical government and that is why it is hard to have confidence in anything it does. It is a government that does not really put its heart into public ownership and that is why it is hard to have confidence that it will use the public ownership or the control of Suncor for the benefit of the people in this province. It is a government that is uncommitted to real economic planning. It is a government that is uncommitted to producing a real economic and industrial strategy. It is a government that is

uncommitted to guaranteeing good jobs for the people of Ontario, in particular the young people.

I happen to think we can turn this province around. I happen to be committed to ensuring that we have adequate social services, decent medicare, health and safety for every worker in Ontario. I think the industrial slums and ghettos we are at risk of having created because of labour legislation we have in the province, because of the attack on workers that is being aided and abetted by this government, does not need to exist. I happen to believe this province could and should be a model for people not just in Canada but in North America and the world around, in terms of the quality of life we could have.

Under those conditions, I cannot vote confidence in the government. If I had the choice, I would not vote confidence in any of the other parties in this House, or I would try to amend this no-confidence motion. It does not matter what is in the terms of the motion. The question tonight is: Do we have confidence in the Premier and do we have confidence in the Minister of Energy or anybody else on that side to lead this province out of its economic problems right now? The answer is there is no way they are going to get confidence from me or from the NDP.

Hon. Mr. Welch: Mr. Speaker, it is regrettable that there was not some indication at the beginning of this debate with respect to the apportionment of time. There could have been some more development with respect to this very important debate.

I want to indicate that at the outset we had felt this was to be a disciplined debate and that there would be an opportunity for others to participate. Hopefully, since the official opposition has exhausted all of its normal time for that, we might be able to accommodate it. Time will see whether that is possible.

Under the circumstances, it is perhaps very fortunate that we have people in the gallery today of the calibre of the Armourdale Progressive Conservative youth to watch this particular debate. It is a very important night for young people to have this opportunity to listen to—

Mr. Smith: They agree with us.

Hon. Mr. Welch: I will leave it for them. Not only do I have respect for today's young people but, as a democrat, I also have respect for the electorate generally when they make their decision. I do not chide them when the results

are over. I believe once the people have gone to the polls and made their decision, they should not be lectured with respect to what the result was. They wanted us here, and that is what they decided to do.

Mr. Van Horne: If that is the case, quit the lecturing.

Hon. Mr. Welch: I ask the member for London North (Mr. Van Horne), is that not where the ultimate accountability lies in the democratic system? Is it not with the people? Four years from now, we will go to that jury, and we will have all of the accomplishments of this administration to discuss. We may well remind them where the member stood on some of those issues at that time as well. Will that not be interesting to remind them in that regard?

I say, not only to the Armourdale Progressive Conservative youth but also to the people of Ontario, that it is about time we had this debate. It is about time we had an opportunity to review the real issues we are discussing here insofar as this particular matter is concerned, and not to be sidetracked by the phoney issue of secrecy. We will talk about that; it has been nothing but a red herring across this whole debate. This is a matter of leadership; this is a matter of the energy policy of Ontario. Let us talk about it, just for a few moments. There will be others who will want to join in this debate.

I suggest, as I have already mentioned to the member for Niagara Falls (Mr. Kerrio), a neighbour of mine from Niagara Falls and a neighbour from St. Catharines—we chat about these things from time to time in an unofficial way—that the debate tonight is not so much about Suncor as it is about leadership.

I think the member for Port Arthur (Mr. Foulds) is very much interested in leadership. No doubt he is attempting to persuade others with respect to his approach to leadership. Maybe I can help him tonight with respect to this particular matter, as I would help his colleagues who travel in that troupe around the province in that collegiate way to discuss this whole matter; they were in my area just recently. The member will find they are very fine people and, no doubt, very perceptive. Some of my best friends are among them.

I have a great deal of respect for people who may hold other points of view, because I believe there is a great dedication. I never ask people to agree with me. I always want to respect their point of view. I say to the Leader of the Opposition, as he prepares for his swan song,

with or without the connotation of lame-duck leader, which of course bothers him very much at the moment—

Mr. Smith: Don't you wish I were.

Hon. Mr. Welch: It would be very helpful in the interests of the people of Ontario if the member were not so preoccupied with that and became reasonable again. That is what I wanted to point out to him. One of the great lessons as far as debate is concerned is that ridicule and personal character assassination are not effective rebuttal. That is a lesson he has not learned, and that is why he is leaving in February. I have been wanting to get that off my chest for some time.

The Deputy Speaker: Yes. I allowed you that opportunity, and I think now—

Hon. Mr. Welch: Anybody who would think that to be an effective leader it is necessary to tear down the personality of someone else, I think—

The Deputy Speaker: Order, please. Mr. Minister, I have a question of you. Are you now going to start officially with the resolution that is before this House?

Hon. Mr. Welch: Yes, I think you have been very wise to—

The Deputy Speaker: —remind you about that. Thank you.

9:10 p.m.

Hon. Mr. Welch: Consistently over the years, this government has demonstrated its ability to recognize opportunity and its ability to lead. I want to suggest this evening in the context of this very important debate that there are many examples of such leadership and of the inability of the opposition to recognize opportunity.

May I draw the attention of the House in a historical way back to 1963, when this party, in government, authorized Ontario Hydro to invest in nuclear energy. It was a time when most other jurisdictions in North America were turning to oil and natural gas or coal-fired electrical generation.

Today, as a result of that decision 18 years ago, one third of Ontario's electricity is produced from uranium. Today, electricity from nuclear power is one half the cost of electricity produced from fossil fuels, whether oil, natural gas or coal.

Predictably, this government's nuclear power decision in 1963, 18 years ago, was strongly opposed in this House on the grounds that it was

inappropriate, untried technology and, besides, there were other, cheaper ways to produce electricity. Read the record of 18 years ago.

Where are the doubting Thomases today, I ask? Where are they? In the context of this debate, what an economic disaster it would have been for the people of this province to have had the Liberal Party in power during that particular period. Today, in 1981, the people of Ontario, as my colleague the Minister of Revenue (Mr. Ashe) so correctly points out, would be suffering the penalty of much higher electricity costs from that lack of vision and lack of leadership.

I suggest with a great degree of humility that the strong position we are in today is because of the foresight shown in 1963. Will members not agree with that?

Mr. J. A. Reed: What's the new price for Darlington? Tell us what it is.

Hon. Mr. Welch: That is just one example. We all remember, including my honourable friend the member for Halton-Burlington (Mr. J. A. Reed), the dark days of early 1975.

Interjections.

The Deputy Speaker: Order.

Hon. Mr. Ashe: They don't like to hear the facts.

Hon. Mr. Welch: We all remember those dark days, as my friend from Guelph, the member for Wellington South (Mr. Worton), understands, because he has been here a long time. We all remember the dark days of early 1975, when the industrialized world was still experiencing the effects of the Arab-Israeli war and the Arab oil embargo. It was clear that Canada was very vulnerable to the political instability of the Middle East. It was clear that as a nation we would have to achieve energy self-sufficiency. It was clear too that this country—

Mr. Bradley: They bought an oil company.

Hon. Mr. Welch: If my friend the member for St. Catharines (Mr. Bradley) will wait—I will send him a copy of this if he cannot wait.

Mr. Smith: I've already read it. It's not worth the paper.

Hon. Mr. Welch: That just shows the openness of the present administration. The member had this in advance. I know the access he has to the gallery, because he is there constantly, always making sure they get his name spelled correctly, although I cannot see how they could misspell his name.

It was clear too that this country of ours had

petroleum resources in abundance to achieve self-sufficiency but that Canada needed time to invest in new technology to develop its tar sands and frontier resources. Syncrude, Canada's second commercial tar sands plant, was in jeopardy because of the private sector companies which had withdrawn from the joint venture set up to construct the plant.

Mr. Smith: Suncor is not going out of business.

Hon. Mr. Welch: Well, why?

Interjections.

The Deputy Speaker: Order. Please allow the minister to complete his remarks.

Mr. Smith: Well, he is talking about Syncrude. This is about Suncor. Suncor is not going out of business. Suncor is making money.

The Deputy Speaker: I am sure he is going to make it tie in some way.

Hon. Mr. Welch: It is obvious that there is a bit of background, a little context that we want to establish here.

Interjections.

Hon. Mr. Welch: I thought they were the ones who wanted all the information and all the facts. Now they are trying to stifle debate in the House by their interjections. They shout like blazes to stifle some clear development here.

Mr. Smith: I can't hear you, Bob.

The Deputy Chairman: Order. Let's hear this.

Hon. Mr. Welch: Syncrude, Canada's second commercial tar sands plant, was in jeopardy because one of the private sector companies had to withdraw from the joint venture set up to construct the plant. As the Leader of the Opposition perhaps does not know, because I do not know whether he was even here then, Ontario, at the invitation of the government of Alberta and the other private sector companies involved in Syncrude, stepped in along with the federal government to fill the gap.

Our \$100-million investment in Syncrude was criticized in this House, if one can believe it. It was criticized on the grounds that Ontario was being taken to the cleaners. Indeed, many of the same kinds of comments were expressed then as are being expressed today. It was the member for York South (Mr. MacDonald), if can one imagine it, who said, "The Premier has been taken." The then leader of the third party had much the same thing to say. The record speaks for itself as we talk about that investment.

Syncrude was built within three years. It has produced 77 million barrels of oil which, I

remind the members of this House, is contributing to Canada's energy security—oil that would not have been produced if governments, including this government, had not taken the courageous and far-sighted initiative to make that investment and to help make that happen.

Three years after our initial investment, when we had achieved our objective of saving the Syncrude project, we sold our interest in the plant for \$160 million. After the Ontario Energy Corporation paid back the initial investment to the Treasurer with interest, the taxpayers of Ontario received a clear \$35-million profit.

The issue is leadership, the ability to recognize reality for what it is and to act in a comprehensive and coherent way to place this province of ours in the best possible position in a very uncertain world, and not only to make decisions for today but to be bold enough to consider the needs of tomorrow as well.

9:20 p.m.

This government's record of leadership in energy, as in so many other fields, has been demonstrated time and time again. Whether it is investments in nuclear energy, in Syncrude, in energy conservation, in solar energy, in alternative transportation fuels or its effective policy initiatives in crude oil pricing, the province has played and continues to play a leadership role in energy in this country.

Mr. J. A. Reed: I can't swallow that.

Hon. Mr. Welch: Then I will excuse my friend.

Interjections.

The Acting Speaker (Mr. Cousens): Order, please. The Minister of Energy has the floor.

Hon. Mr. Welch: I have spoken of reality. The reality is that Ontario is a resource-rich province almost totally dependent on other jurisdictions for its fossil fuels: oil, natural gas and coal. In fact, in 1980 Ontario purchased 75 per cent of its energy needs from others. That is the reality we face, and it is against that background that we developed our energy policy over the past 10 years or more.

Our policy has been and continues to be based on the premise that Ontario is part of the Canadian federation; that no province is really an island unto itself; that we cannot and must not build walls, as the Leader of the Opposition would have us build walls, to insulate ourselves from the abundant energy resources found in other parts of Canada.

Mr. J. A. Reed: Why don't you do your share for Canada, then?

The Acting Speaker: Order.

Hon. Mr. Welch: It is obvious that if the member for Halton-Burlington, who is the energy critic, really wanted to participate in this debate, he would have spoken to his leader and reserved some time to participate. Now he is trying to get into the debate by interjections. His leader has denied him an opportunity to participate; so why does he not just recognize that and listen?

The policy of Ontario is based squarely on the recommendations of the advisory committee on energy, Task Force Hydro, the McKeough energy report, the select committee on Ontario Hydro affairs and the Royal Commission on Electrical Power Planning. It is a policy that has allowed Ontario to benefit from relatively cheap nuclear power, from the foresight to establish the Ontario Energy Corporation, from our investments in Syncrude and Polar Gas and from lower gasoline, home heating oil and natural gas prices than otherwise would have occurred.

Our investment in Suncor follows in that tradition. It is a tradition with a proven track record. That the government has entered into this agreement should not come as a surprise to any informed observer of energy issues.

I wonder if I might have the permission of my colleagues at least to show why I do not think this should come as any surprise. Let us go back to October 10, 1980, a year ago or more. I had the opportunity to announce, and I am quoting, "that the Ontario Energy Corporation will actively seek opportunities to participate in the Canadianization of the oil and gas industry in line with the federal government's announced policy to reduce the level of foreign ownership in the industry." That is one year ago, October 10, in this House.

Mr. Foulds: On a point of order, Mr. Speaker: Just so the minister is not inadvertently misleading the House, I would like him to cite where he said that. I happen to have Hansard for October 10, 1980, in front of me. I happen to have the statement that he issued at that time, and it is not in that statement. Therefore, I would like the minister to cite the other statement he must have made that day—

Hon. Mr. Welch: Mr. Speaker, I do not know what the honourable member's advisers or his research people have told him. I was asked that question about two weeks ago by his research staff. I told them it was a statement, and it was the energy note that was tabled along with that statement.

Mr. Foulds: It was tabled?

Hon. Mr. Welch: That is right—tabled with the statement. There it is, right there all the time. I hope he takes that as—

Mr. Foulds: You didn't say it was just tabled.

The Acting Speaker: Order.

Hon. Mr. Welch: I do not know what the communication is within that particular group, but that is exactly what happened. That is what it is, and it is dated; it goes back a year ago.

Mr. Smith: You didn't read those statements.

The Acting Speaker: Order.

Hon. Mr. Welch: In the national energy program, released with the 1980 federal budget after my announcement of October 1980, the federal government's policy of Canadianization was reiterated, and new policy incentives were announced.

Mr. Smith: Mr. Speaker, on a point of order: On the bottom of page seven of the statement that the minister has just read, and I believe he said this exactly a moment ago, he said, "On October 10, 1980, I announced that," and he gave quotes, "the Ontario Energy Corporation" and so on. He made no such announcement.

There may have been a document in which, in the fine print, somewhere in the middle of the document, that may have been said. Such a document may have been tabled at the time of an announcement. Conceivably that paragraph may have been there. I have no idea. He did not put it in the compendium. He has never referred to it since. He did not announce it, and I would like him to change the word "announce" simply to say that he tabled a document in which there was a paragraph that said that.

Hon. Mr. Welch: Do members see what this illustrates? It illustrates that they have had all this, but here they are crying about not having enough material. I suggest to them that they have not even read the material they have. There is proof positive of the fact, because that has been around for a year and they have not even read it. It is in the annual report, the very annual report that they have referred to the standing committee of the Legislature. There it is, on page nine. They have not even read what they have.

Boy, we really are secretive! We really are hiding stuff from them! They do not even take the time to read it, and they are trying to fool the people of this province. They are trying to fool them on some phoney issue of disclosure when they have not even read the tons of stuff that have been sent to them already.

Where do we get this report? There it is, right on page nine. Can members imagine? That has been around for a year.

Mr. Foulds: Mr. Speaker, on a point of order: Is that the annual report of the Ontario Energy Corporation?

Hon. Mr. Welch: No. It is on page nine of the annual report of the Ministry of Energy for 1981.

Mr. Foulds: Page nine? Did the minister read that into the record?

Hon. Mr. Welch: No. What I read into the record was this.

Mr. Foulds: Oh, so you are re-reading it into the record now? Fine.

The Acting Speaker: Order, please. The Minister of Energy.

Hon. Mr. Welch: I will leave it for my honourable friend in the New Democratic Party who is my critic to admit to himself in the privacy of his own room what he has really read with this material.

Mr. Smith: When was this brought to your attention? At supper time? Be honest. When was this brought to your attention? At supper time?

The Acting Speaker: Order. The members will refrain from interjecting.

Mr. Smith: Malcolm brought it to your attention at supper time tonight.

Hon. Mr. Welch: But the Leader of the Opposition is admitting that he has not read it as of 9:30 tonight. He has not even read it yet.

The Acting Speaker: The interjections are not required within the debate. The Minister of Energy.

Hon. Mr. Welch: I can't believe it.
Interjections.

Hon. Mr. Welch: We will send them another truckful. That is what we will do.

Mr. Kerrio: What does this have to do with the Suncor purchase?

Hon. Mr. Welch: Oh, did the member not know that secrecy was part of the issue here? Why, I bet he has not even read the stuff that was filed as a compendium.

The Acting Speaker: Order.

Mr. Kerrio: You haven't said a thing. This is a decoy and you know it.

Hon. Mr. Welch: I believe that. The whole secrecy issue is a decoy.

Mr. Kerrio: It has nothing to do with it.

Hon. Mr. Welch: That is right.

Hon. Mr. Grossman: Stuart is going to find his researcher.

Hon. Mr. Welch: My word, I bet there will be some heads rolling in that research office tomorrow. Those fellows cannot even read reports.

Hon. Mr. Grossman: I do not think they have any heads in their research office.

9:30 p.m.

Hon. Mr. Welch: Mr. Speaker, if I might get back to the continuity here: In the national energy program, released with the 1980 federal budget after my announcement of October 1980, the federal government's policy of Canadianization was reiterated and new policy incentives were announced.

As members will recall—those who carefully read all this material will have read this—as far as the federal government was concerned, one of the objectives of Energy Strategy for Canada, published in 1976, was to increase substantially Canadian ownership of the petroleum sector. This important national policy paper stated in addition:

"While there has been some reduction in the level of foreign ownership of the industry, the objectives have not been met. Perhaps due to a preoccupation with oil security objectives since the mid-1970s, the set of energy policy instruments has not been sufficiently conducive to increase Canadian ownership of the sector."

As members of this House will appreciate, the challenge of the 1970s was to ensure that the needs of Canadians as consumers were protected. Appropriate energy pricing and security policies were pressed vigorously during this period by the Premier of this province and successive Ministers of Energy.

Shortly after assuming this portfolio in September 1979, as many members will recall, but I am sure not all have read it, I issued a restatement of our position, called Energy Security for the Eighties: A Policy For Ontario. That happened to be two years ago.

Mr. Breaugh: How many years ago?

Hon. Mr. Welch: Two.

The major thrusts of that policy were adopted by the federal government in the national energy program. With the agreements with Alberta and other producing provinces, the fundamental objectives of our policy on pricing and security remain in place.

But if the interests of Canadians as energy consumers had been well protected during the 1970s, the interests of Canadians as owners—and I underline that as a very important distinction—of their energy resources lacked the same degree of attention.

The national energy program last October, a year ago, painted the picture starkly. I quote now from that policy: "By ignoring the problem of foreign ownership in the past, Canadians have lost a significant share of the benefits of having a strong resource base. If we fail to act now, Canadians will lose once again." That is the policy of the federal Liberal government of our country.

This federal policy paper goes on to describe the initiatives taken in other parts of the world to develop a largely domestically owned public sector role in the oil and gas industry. I think it is very important, both for the young people from Armourdale for all the rest of us in Ontario, to really understand what this policy means. "Within Canada," says the policy paper—

Mr. Mancini: You can't fool the young people of Armourdale. They can see through that concept.

Hon. Mr. Welch: Even my friend the member for Essex South (Mr. Mancini) will understand this, because he is a young man with a future.

Mr. Mancini: What a cheap shot.

Hon. Mr. Welch: I am not commenting on the future, but he is a young man.

I am now quoting from the national policy. This is our country.

Mr. Kerrio: And your friends.

Mr. Mancini: What does that have to do with the secret Suncor deal? Tell the people from Armourdale what that has to do with it.

Mr. Kerrio: Say it if you dare, "our friends in Ottawa."

The Acting Speaker: Order.

Hon. Mr. Welch: I am a Canadian; and after the people have spoken, one deals with the government of one's country.

The Acting Speaker: On the motion.

Mr. Smith: Why don't you tell Frank Miller that? He doesn't think much of it.

Hon. Mr. Welch: May I get back to quoting the national policy?

Mr. Smith: Is Frank Miller not a Canadian?

Hon. Mr. Welch: The member for Muskoka (Mr. F. S. Miller) is a great Canadian—a great Canadian of Scottish background.

Mr. Kerrio: He's a Tory Canadian. He's not a pinko.

Mr. Smith: He disagrees totally with what the minister has just said.

The Acting Speaker: Order.

Hon. Mr. Welch: May I plead with members just to grasp this in the context of the national policy. That policy paper goes on to describe the initiatives taken in other parts of the world to develop a larger domestically owned public sector role in the oil and gas industry. I want to quote from that paper, because I think it is very significant.

"Within Canada the provincial and federal governments moved in a similar fashion." Listen to this: "Most provincial governments have for years been directly involved in electrical generation. More recently, several provinces, including Alberta, Ontario, Quebec and Saskatchewan, have established corporations partly or wholly owned by the provincial government with a mandate in oil and gas. The federal government created Petro-Canada."

This section of the national energy program concludes: "Governments the world over have recognized the uniqueness of the energy sector. Its dramatically increased importance in the economy requires special measures. Canada's rich energy strength makes the need to act even clearer. The structure of the energy sector will be a major factor shaping the structure of the Canadian economy. Canadians must play a greater role in this sector."

I think that is very important. If Canada's goals for ownership of our resources—

Mr. Breagh: Where is the quote from Joe Clark? We are waiting. You remember him.

Hon. Mr. Welch: Will my friend not agree that if Canada's goals for ownership of our resources are to be achieved, Ontario is going to have to do its part? This is an area where we again are showing the leadership that is the hallmark of this government. Our policy is based on some fundamental principles, including the goal of Canadian crude oil self-sufficiency by 1990, rejecting world oil prices, a benchmark for pricing Canadian crude oil and increased Canadian ownership of the oil and gas industry.

Mr. Breagh: What does Joe Clark say about that?

Hon. Mr. Welch: Ontario's energy policy is backed up, as the member for Oshawa will know, by many specific and broadly based programs.

If I may, I want to give some indication of what we have done during the last 18 months: (1) on the subject of heat saved, a five-year, 60-community, \$5-million program of aerial thermography and home energy audits; (2) a \$75-million, five-year program to stimulate the

development and marketing of alternative transportation fuels in the province; (3) a \$50-million, five-year program to accelerate solar energy programs across the province.

But that is not all. Ontario has set up specific energy security targets to support the province's goal of crude oil self-sufficiency for Canada by 1990, and we have all those facts and figures to share with the House at any time. It is obvious this province of ours has a comprehensive, coherent energy policy because this party in government has shown foresight and, above all, has shown some leadership in this area.

Interestingly enough, Ontario's policies have been adopted by others and now form a significant component of national energy policy. Ontario's policies have saved Ontario consumers billions of dollars.

I wonder if I may be permitted to deal briefly with a further allegation of the Leader of the Opposition, contained in the motion and elsewhere, to the effect that the investment in Suncor could be better employed in energy substitution programs, specifically alcohol production. This allegation presumably is based on the Liberal Party's fuel alcohol policy statement released in the dying days prior to March 19, 1981. Let us talk about it.

Mr. Mitchell: What did it say?

Hon. Mr. Welch: I am glad my friend asked. I just happen to have it here.

Mr. Cooke: Were they not going to nationalize Chrysler on that one?

9:40 p.m.

Hon. Mr. Welch: Those were desperation days. I forgot which day it was. The proposed policy is seriously wanting, it is narrow in scope and if it were to be pursued could be highly dangerous for the energy security of this province.

The Leader of the Opposition, may I remind the member, wants us to gamble. He talks about speculation. He is inviting the people of Ontario to gamble that methanol, using wood as a feedstock, will be a viable alternative to 50 per cent of our gasoline needs by 1995.

Mr. Mancini: Why can they do it in Brazil?

Hon. Mr. Welch: I will talk about that.

At this time—and I underline this—there are no commercial-scale alcohol plants of the type envisaged by the Leader of the Opposition operating anywhere in the world.

Mr. J. A. Reed: On a point of order, Mr.

Speaker: I just want to point out to the honourable members of this House that there is a point at which one begins to do something.

The Acting Speaker: Your point of order?

Mr. J. A. Reed: Yes, I would like to make my point of order. In North Carolina, a consortium of companies and investors known as Peat Methanol Associates has prepared a feasibility study for the production of 614 tons per day. Construction will begin in 1982, and production will begin in 1984. I want to say one thing further. If the minister does not understand what Professor Morris Wayman is doing with power alcohol production in western Canada, he does not know what is going on in the country.

The Acting Speaker: The Minister of Energy has the floor.

Hon. Mr. Welch: At this time, Mr. Speaker, there are no commercial-scale alcohol plants of the type envisaged by the Leader of the Opposition operating everywhere in the world. Yet he would have us pursue alcohol, particularly methanol from wood as an alternative fuel to the exclusion of all others. Certainly there is a place for—

Mr. Mancini: That is incorrect.

Mr. Smith: We never said to the exclusion.

Mr. J. A. Reed: On a point of privilege, Mr. Speaker: Neither my leader nor this party has ever advocated fuel alcohol production to the exclusion of any other energy resource. Speech after speech in this House by the energy critic has stated time and time again that energy has to be developed in Ontario on the broadest possible base.

Hon. Mr. Welch: Mr. Speaker, on that point of explosive privilege, may I say quickly there is certainly a place for alcohol and there is a place for alcohol in Ontario's transportation future. I expect to make an announcement setting out the details of a comprehensive alcohol program in the very near future.

Mr. Kerrio: Why would you do it if you do not have any confidence in it?

Hon. Mr. Welch: Wait a minute. The whole point is about to be made consistent with what the interjection was suggesting. In my view alcohol for transportation will continue to be only one among a broad range of alternatives which will include propane, electricity, compressed natural gas and hydrogen.

Finally, it is alleged that the money to purchase Suncor will be better used, says the

honourable the Leader of the Opposition, to provide additional financial support for health, educational and industrial revitalization. It is further alleged that this investment does not add one additional barrel of oil or provide one job in Ontario.

Mr. J. A. Reed: That's right. That's what the Premier (Mr. Davis) said.

Hon. Mr. Welch: Does the member want to restate that just before the axe drops? Does he want to state that again?

Mr. Smith: The axe is dropping on your own foot, my friend. I read your speech, and that is all that is being hit by it.

The Acting Speaker: The member for Halton-Burlington. Is this a point of privilege?

Mr. J. A. Reed: Well, the minister has asked me to restate it. I just want him to know I was at the press conference when the Premier said there would be no new industry in Ontario as a result—

The Acting Speaker: Thank you. The honourable minister will please respond to the motion.

Hon. Mr. Welch: Mr. Speaker, I really have been trying to. Let us take a look at these claims against the background of that further interjection from a member who has been denied—

Mr. Smith: Frank Miller said there were no jobs in oil.

Hon. Mr. Welch: Well, let us take a look at the claims. As with so many of the opposition's allegations, they happen to be without foundation. An opportunity such as the Suncor investment is a very important one. If we fail to recognize and take advantage of this opportunity, the people of this province are going to be the losers.

Mr. J. A. Reed: We asked how.

Hon. Mr. Welch: Just lean back and listen. Suncor provides the province with a considerable number of benefits, not the least of which is that it starts the Canadianization process of a company which to this point has been 99.8 per cent foreign-owned. Ontario, through the Ontario Energy Corporation, has agreed to purchase 25 per cent of equity shares of Suncor for \$650 million. The purchase involves the payment of 50 per cent cash and 50 per cent by way of a 10-year note from Sun Company.

Mr. Smith: On a point of privilege, Mr. Speaker: We have repeatedly asked the Minister of Energy whether the second half of the purchase would be by way of notes back to

Suncor, whether it would have to be paid for out of profits and deferred dividends or in any way out of money made from the company itself. We have pointed out that, if that is the case, the 75 per cent shareholder would have to get three times as much profit taken out of the country. The minister has always said that has still not been decided.

Now he is standing up again today and saying what the Premier originally said, even though he has repeatedly refused to answer in this House how they are going to buy the second half. He is back to his original story now, and he has to answer the question as to whether the dividends will flow south of the border.

The Acting Speaker: Thank you. The Minister of Energy.

Hon. Mr. Welch: I will start from the beginning again. Ontario, through the Ontario Energy Corporation, has agreed to purchase 25 per cent of equity shares of Suncor for \$650 million. The purchase involves the payment of 50 per cent cash and 50 per cent by way of a 10-year note to the Sun Company.

The terms of the debt, however, are subject to more favourable financing being arranged prior to closing. As a result of the negotiations with the Ontario Energy Corporation, the Sun Company has agreed that it will use its best efforts to sell another 26 per cent of Suncor shares to Canadians. If it does not achieve that objective by 1986, the Ontario Energy Corporation has an opportunity to negotiate in two stages a further purchase of 26 per cent of Suncor shares.

The Sun Company has also agreed that Suncor shares will be offered to the Canadian public. As well, it has been agreed that Suncor will undertake an aggressive exploration and development program. The interests of this province with Suncor will be advanced by its proportion of representation on the Suncor board and, as well, this investment permits Ontario to have greater influence in national energy policy-making, influence and leverage we would not otherwise have if we were not in an active position in the oil and gas scene.

Ontario, as I hardly need to remind members of this House, neither makes the rules governing the oil industry nor regulates those rules. Therefore, as the rules of the energy game change, Ontario has to find other ways to influence national energy policy.

The Suncor purchase enables this province to have greater sensitivity to the fast-changing energy scene, to have a seat at tables that

otherwise would be denied to it and, as a result, to advance further the interests of the consumers of Ontario in energy matters.

As well, the Canadianization of Suncor enhances Canada's security of energy supply, as it will enable that company to take advantage of the new incentives for the development of unconventional oil resources. Such incentives are now denied to Suncor because it is foreign-owned.

The point I have just made is graphically borne out by comments made just today by the president of Suncor, Mr. Ross Hennigar, when he told a meeting of petroleum analysts in New York that Suncor's capital spending will average \$500 million a year over the next three years, more than double the amount projected for 1981. Mr. Hennigar stated that there is a good future for energy development in Canada, provided the developing companies are Canadian-controlled. The prospects for oil and gas companies in Canada that remain foreign-controlled, he says, are anything but good.

9:50 p.m.

With respect to the employment implications in Ontario, if one examines carefully that news release dated today, November 19, which was issued, I see here, at 11:30—and I am very surprised that the Leader of the Opposition has not made reference to it already—one sees that he goes on to make a reference that I think is of interest to Ontario, because included in these investments is the Sarnia refinery. We see that some \$350 million is to be spent in Sarnia. It is estimated this will involve 1,000 direct construction jobs at the Suncor refinery at the height of the project, not taking into account the multiplier effect for suppliers. Is that not interesting for Ontario?

Mr. Smith: They were going to have to repair that anyway. Do you think they are going to do that because you bought in? Do you think they were going to continue to let it go to ruin if you hadn't bought in? Tell the truth, will you.

Hon. Mr. Welch: Read it there. He says all this is made possible because Canadianization plans for his company are well under way, and we are involved in that. It is a very positive step.

Our Suncor purchase is a good investment for Ontario and its taxpayers. Suncor is Canada's fifth largest fully integrated oil company, with interests in the oil sands, frontier lands, oil and gas production in western Canada, more than 900 retail distribution outlets in Ontario and Quebec, an Ontario-based refinery and an

Ontario-based petrochemical company. For every dollar invested in oil and gas exploration in western Canada, 42 cents is spent right here in Ontario. Let us not overlook that, I say to the Leader of the Opposition. So, by any measure, an active, vibrant oil and gas industry means jobs and income in Ontario.

The business of government involves making judgements about a multitude of competing demands. If this province does not build and grow, if we do not seize opportunities as they come along, then wealth will not be generated in this province for hospitals, schools or social services. It is not a question of choosing between an investment in Suncor and other desirable objectives; it is a question of creating opportunities so that today's and tomorrow's generations can have the services that will enhance the quality of their lives.

Ontario cannot afford to gamble on our energy future. We can and should invest wisely in that future. May I suggest, as my time expires, that Suncor is a very wise and timely investment.

The Deputy Speaker: I see no members to my immediate left—

Mr. Mackenzie: They have used all their time.

Mr. Smith: We used up our time, and the Tories used up their time. It is just the NDP that is left.

Mr. Mackenzie: Mr. Speaker, I do not know how an ordinary citizen like myself—and that is exactly how I class myself, with a family and the usual bills—can take this debate here tonight very seriously. I find that a little bit sad. I do not know what the Minister of Energy proved with some of his performance a few minutes earlier other than that he could put on as good an act as we saw from the leader of the Liberal Party in his presentation. We seem to have a real bunch of hams at it tonight.

I want to deal first with the Liberal so-called no-confidence motion. As far as I am concerned, it is an absolute farce. The Liberals say one thing in their motion when they clearly mean something else altogether, and the subterfuge is typically Liberal. I wonder how they can make the argument they are making over Suncor, or use Suncor as the excuse.

I was out in Saskatchewan in 1971 when we took that government back, and I was amazed at the kind of arguments we were getting from the Liberal Party in Saskatchewan. They were almost identical to what we were hearing today

from the leader of the Liberal Party in Ontario. Out there they were not making sense about the benefits of public ownership, and we were dealing with potash at the time. I remember a few years back, when that party would not support the ownership of Denison in terms of the supply of uranium for our nuclear reactors in this province.

The Liberals talk about the lack of information to support the proper evaluation of a 25 per cent purchase. To that extent, they are accurate. There has not been enough information given in this House, in spite of what the Minister of Energy would like to have us believe. It is equally true that there is not enough information to reject it either. I think most people in this House understand that.

I am not really sure what happened with some of the Conservative back-benchers. Some of them were upset, and they had a briefing session. If we are to believe the Minister of the Energy, that they got no more information than was already available to us, they were seduced very cheaply.

The overwhelming need for additional support, as is pointed out in the Liberal motion, for health, education, industrial revitalization and energy substitution can be accepted on its own, but it is such a grab-bag of needs, and all supposedly from the \$650 million we might save if we did not go ahead with Suncor, that it cannot be considered a credible argument in terms of a no-confidence motion.

I am surprised they did not add to the grab-bag list so that they might cast their net a little further by adding day care, environmental measures, small business relief or interest subsidies. It might have made more sense when they were casting their net to try to use an argument to support their no-confidence motion.

The intent is obvious. They would like to hook in the NDP. They would like to hook in every other group in the community that is concerned with their budgetary problems. Also, I have no disagreement with the loss of confidence in this government, except that I did not have any to start with. I doubt if many of us do.

Mr. Kerrio: Bob, who are you going to vote for?

Mr. Swart: Vince, you are to the right of the Tories.

The Deputy Speaker: Order. I remind the colleagues of the member who is speaking that they are making it very difficult for the chair to listen to his remarks. Will you please refrain?

Mr. Mackenzie: The government's inability to deal with the real problems in Ontario, whether it is interest, unemployment, plant closures or the medical and social needs of its people, has simply confirmed the government's incompetence and the fact that nobody in his right mind can have any confidence in this government.

I suspect they are on the same road as Manitoba. They may have a little more finesse than the Manitoba Tories, but I suspect they are also going to see the same results before too long.

This motion is about none of these things: the lack of information, the need for funding for other measures or the lack of confidence in the government. When the Liberals in their motion make the comment that "instead of the commitment of \$650 million to the Suncor purchase . . ." they tell it all as far as I am concerned. They do not have the guts to speak the truth.

What they are saying, very clearly and very loudly, is, "We do not agree with public ownership in the resource field, and let us not allow this to be the thin edge of the wedge." Instead, they use a back-door opposition to move a no-confidence motion, not putting on record clearly what their position is, which is a disagreement with this kind of public ownership. Instead, they are trying to use it as a tool to move no confidence in the government.

10 p.m.

I really wonder how they can be at such odds with their federal brothers, who had the courage, albeit with our prodding, to go ahead with Petrocan. I find the Liberal members so far right in their position that they put Margaret Thatcher and Ronald Reagan to shame. I think their irrelevance matches that of the Liberals in Manitoba. But I doubt if that reminder will help a bit, because I suspect that any such reminder is lost on the kind of ideologues we have in the Liberal caucus.

The tragedy of the government position on this is the equal amount of phoniness we find in it. The 25 per cent purchase they are talking about gives us nothing concrete in this province and could very well be a financial bonanza to the Suncor company. Certainly, it helps them in terms of trying to achieve the better than 50 per cent Canadianization so they can benefit from some of the federal moneys available.

That in itself is not enough reason for the purchase. Canadianization is not public ownership of a natural resource that we could put to good use for the people in this province. I

wonder what is in it for the Premier and the Tory party in Ontario. I wonder if he wants to be a player on the national scene. Maybe he has federal ambitions. Who knows?

In this party, the ownership and control of our resources, with the returns coming to the benefit of the people of the province, is what we are all about and what majority public ownership is all about in Ontario.

One only has to take a look at some of the areas where we have moved, and I think the potash industry in Saskatchewan is a prime example where it has really paid off in terms of the people. In terms of procedure, I think if the government is going to move into effective planning and public participation in the resource industry in this province and in this country, then it has to be honest with the people up front and lay out the problems and the potential benefits; it has to lay out the information.

If the government and the energy minister of the province had done that, instead of the secrecy we have seen—what almost appears to be connivance in terms of the arrangement the opposition cannot get hold of—we would have been on the road to some positive move into the public ownership field. Instead, by the way he has handled it, he has made it a dirty thing in this House.

We do not have all of the facts. The Conservative motivation is unknown; and that is pretty obvious, because the philosophy of public ownership is so alien to so many of them.

I cannot have any faith in this government, but that does not mean the Suncor purchase is not a good idea. It does not mean it is wrong. It should be 51 per cent. It should be public ownership. It could be a super move, but I have not been able to convince my colleagues of the phoniness of the Liberal position in this House.

Interjections.

The Deputy Speaker: Order, please. Honourable colleagues, the chair is having great difficulty listening to the honourable member make his remarks. If you could refrain slightly on interjections, we would appreciate it.

Mr. Mackenzie: Simply because I have not been able to convince my own colleagues of the phoniness of the Liberal no-confidence motion, I do not intend to vote for the motion. I would not vote against my colleagues—in six years I have not done it—but I simply tell the members that as far as I am concerned it is a pox on both of your houses, because I cannot have confidence in this government. That motion is so

phoney it does not deserve the respect of a motion in the House. It does not deserve the respect of any member in this House. It is just phoney from the word go.

Mr. Wildman: Mr. Speaker, I will speak briefly on the motion because—

The Deputy Speaker: Order. I have the microphone. There was some indication that the party on my immediate right has used up its time now.

Interjections.

The Deputy Speaker: I am looking to the House leaders, of whom I see two here, the member for Scarborough North (Mr. Wells) and the member for Brant-Oxford-Norfolk (Mr. Nixon). I have not been—

Mr. Nixon: If they have three minutes, they can be our guests.

The Deputy Speaker: We are wasting more time.

Mr. Nixon: They don't have any time left. Let's hear the NDP position.

The Deputy Speaker: All right, there seems to be an agreement that if the Minister of Community and Social Services (Mr. Drea) is going to be speaking, then, as the member for Port Arthur indicated, the time frame will be a little later than was indicated.

Interjections.

The Deputy Speaker: Well, is that we are going to do? I am at the mercy of the House.

Mr. Foulds: On that point of order, it is my understanding there was an agreement to split the time. It is my understanding the Clerk's table did not take the time, because they did not receive instructions properly to do that.

Mr. Nixon: On the point of order, I have kept track of the time, and all the rest of the time until 10:15 is NDP time. We would like to hear the third party's position from them.

The Deputy Speaker: Any comment from the House leader? No? Well then, the member for Algoma.

Mr. Wildman: Mr. Speaker, I was beginning to say that I was rising to participate in this debate briefly so that there would also be time for our energy critic, the member from Port Arthur. It is obvious what the position of the New Democratic Party is in relation to this motion.

Mr. Nixon: Some are for and some are against.

Mr. Wildman: We have very little confidence in this government. There is no question about that, and that is not a new position, surprising as it may seem to the member for Brant-Oxford-Norfolk.

Mr. Nixon: Are you going to take a walk too?

Mr. Wildman: No, I am not. I am going to participate in this debate.

The debate in this motion, as I understand it, is about confidence in the government, confidence in the policy of this government in terms of Suncor. It might be argued that we, as a party that does believe in public ownership and does believe in public participation in the resource industries, should be supportive of the government in its purchase of 25 per cent of Suncor. The point is, however, that this government, if it has done anything, has given public ownership and the process of buying into the resource sector a bad name. The fact is, it could have got involved in the resource industries of this province and it has chosen not to.

It has chosen to move into the oil industry, which, frankly, will give us some return on the transfer of wealth as a result of the Alberta-Ottawa oil pricing agreement, which is acceptable. Unfortunately it is leaving the control of the company in the hands of the American parent firm; the government does not have any real say.

The arguments given by the Premier as to why the government should become involved in the industry related to a window on the industry, related to security of energy in the future for Ontario, and also related to exploration for Ontario, perhaps in the frontier lands in the Hudson Bay area. We all know that all those arguments applied earlier and still do apply to public ownership in most of the resources, specifically in the resources related to energy in terms of uranium in Ontario. At the time of the Wellesley report and the deal with Stephen Roman and his friends, the government chose not to accept that position. Now it is accepting it.

It does not wish, however, as it did at that time, to share the information with the public. It will not tell us how it came to the conclusion this was going to benefit it or benefit the people of Ontario. It will not tell us whether the 25 per cent is a deal that is worthwhile. It will not tell us if it even considered 51 per cent or controlling interest. It will not tell us why it has chosen to get a little piece of the action but not enough to

have any real say in what this company does in terms of the development of the oil industry in this country.

10:10 p.m.

We do not accept the argument that a government should fear knowledge, should fear giving information to the public. We cannot accept that. We cannot accept the argument by the Minister of Energy that McLeod Young Weir's advice that it was a good investment was good advice but he cannot share it with us. We cannot be left with idle speculation as to the reasoning behind the decision that it was 25 per cent as opposed to 30 per cent or 35 per cent, or why it is enough to have a minority interest in a company and not to have real control, not to have some say in what a company does.

I reject the arguments used by the members of the official opposition that \$650 million should not have been used. We do not know whether it should have been used or not. We do not know whether it should have been used in a different way. We do not know whether more money should have been invested. We do not know whether this was enough.

I have no confidence in the way this government operates and certainly no confidence in the way this government becomes involved in the industry.

Interjections.

The Deputy Speaker: I will ask the government House leader how we work this out. What is the rationale of this?

Hon. Mr. Wells: Mr. Speaker, in consultation with several of my colleagues who have been here, I have been informed that my colleague the Minister of Energy took 42 minutes and there are three minutes more to which this party is entitled. I am also informed the Leader of the Opposition took 50 minutes. All I am saying is, I would submit to you that the member for Scarborough Centre should have three minutes.

The Deputy Speaker: While the House leader has the floor, it is my understanding there was agreement between all parties to take 45 minutes each and that the vote would be taking place in another three minutes.

Mr. Cooke: Mr. Speaker, the Liberals went over on their time, and our timing shows the Conservatives went over to 49 minutes. Will you let us have the last few minutes to let our energy

spokesman speak, and will you tell those characters over there who want to create a farce out of tonight to sit down?

The Deputy Speaker: Order, please. To have a compromise would we allow—

Interjections.

The Deputy Speaker: Order. Would you allow me my proposed compromise, which is that the member for Port Arthur should have two minutes and the minister two minutes?

Mr. Foulds: Three minutes, Mr. Speaker. If the government House leader and the Liberal House leader want to bring this place into a chaotic state, they can continue to break the agreements that were made among the House leaders, as they are trying to do tonight.

The Deputy Speaker: Order. Would the member for Port Arthur agree to two minutes? You only had three left anyway. Then we will hear from the minister for two minutes.

Mr. Foulds: I will take three.

The Deputy Speaker: All right. Will you take three and the minister take three? Agreed.

Mr. Foulds: Mr. Speaker, I regret the pull of the debate tonight, because we have before us a serious question indeed, which has been dealt with frivolously by this House.

I am a great admirer of the minister. He is a man of great skill, but he is also perhaps the most artful dodger this House has seen. This debate is not about Suncor; this debate is about confidence. This party has no confidence in that government or the official opposition. We are voting no confidence in this government because the minister is a confidence man; because he has given, it is true, bushels of information but he has not given us the truth.

We have before us a choice. We in this party believe in public ownership, but this is not public ownership, this is a fraud. Putting those beggars over there in charge of public ownership is like putting Dracula in charge of the blood bank. This is state capitalism of the worst sort. This is state capitalism that props up the capitalism of the private sector and drains the public treasury.

What I object to is the rewriting of policy that the minister is attempting to do. In the obscure pages of his energy notes he did not announce this thing, this acquisition of a private oil company, as one of his 10 key points. He now makes that a primary part of his energy strategy. He has no energy strategy; it is an ad hoc matter.

The Deputy Speaker: One minute.

Mr. Foulds: Either the government is stupid, because it acquired the oil company without the kind of detailed study Hydro did to acquire the uranium industry—which it then rejected because of its ideological straitjacket—or it is secretive and it did that study and is not releasing it to the public.

When this party becomes the government in 1985, when we take the uranium mines under public ownership, we will be frank and open with the people of this province. We will reveal to them the reasons and the documentation on why we take things like the uranium industry and Inco into public ownership, and we will demonstrate why that is good for the province economically, why it is good for the province socially and why it will create full employment in this province.

The Deputy Speaker: Time. Now the Minister of Community and Social Services for three minutes.

Hon. Mr. Drea: Mr. Speaker, I regret tonight that a very considerable portion of the motion of no confidence has barely been discussed in this House. Perhaps it is because the portion dealing with social services in their broadest aspect was thrown in merely as a political ploy to try to trap those on the left into supporting a rather meaningless and ineffective motion by the Liberal Party.

The ability of this province to continue the finest social service programs in the world and to sustain a sensitive and humane society depends on our ability to pay the cost of a presence that is genuinely helpful to people who are genuinely in need. Not to seize the opportunity to sustain this ability for the economy to generate additional revenues from which social funds flow would be virtually criminal. As a matter of fact, it would be a very serious dereliction of duty to the very vulnerable in our society, who will continue to look to government for social programs—be they education, be they health, be they in the area of direct social programs—for their access to the opportunity of the province of opportunity.

Mr. Speaker, I remind you that 65 cents on the dollar of the provincial government budget goes to social services, and there are—

The Deputy Speaker: One minute.

Mr. Smith: It goes to interest on the public debt.

Hon. Mr. Drea: Well, I will tell the Leader of the Opposition, he is showing more sex appeal tonight than he did for 45 days when he travelled the province with all the appeal of a wet grape.

Mr. Smith: On a point of privilege: I have to admit there is no one more expert on wet grapes than the minister who has just spoken on the matter.

10:20 p.m.

Hon. Mr. Drea: He is the first one since Lenin who travelled the province in a sealed compartment. That was by his own choice.

The Deputy Speaker: Ten seconds.

Some hon. members: Three, two, one, blast off.

Mr. Nixon: Time is up.

The Deputy Speaker: Order, order, order. With all due respect, he did not get his 10 seconds in. Now come on, here it goes. Ten seconds.

Hon. Mr. Drea: Mr. Speaker, there is one thing that should be very clearly on the record: If we are to continue spending two out of every three cents on the dollar to make this the province of opportunity, then we must seize the opportunity to generate an economy that will continue to generate those funds.

The House divided on Mr. Smith's motion which was negated on the following vote:

Ayes

Boudria, Bradley, Breaugh, Breithaupt, Bryden, Cassidy, Charlton, Cooke, Copps, Cunningham, Di Santo, Eakins, Elston, Epp, Foulds, Grande, Kerrio, Laughren, Mancini, McClellan, McEwen, McGuigan, McKessock, Miller, G. I.; Newman, Nixon, O'Neil, Philip, Reed, J. A., Ruston, Samis, Smith, Spensieri, Stokes, Swart, Van Horne, Wildman, Worton, Wrye.

Nays

Andrewes, Ashe, Baetz, Barlow, Bennett, Bernier, Birch, Brandt, Cousens, Cureatz, Davis, Dean, Drea, Elgie, Eves, Fish, Gillies, Gordon, Gregory, Grossman, Harris, Henderson, Hennessy, Hodgson, Johnson, J. M., Jones, Kells, Kennedy, Kerr, Kolyn, Lane, Leluk;

MacQuarrie, McCaffrey, McCague, McLean, McMurtry, McNeil, Miller, F. S., Mitchell, Norton, Piché, Pollock, Pope, Ramsay, Robinson, Rotenberg, Scrivener, Sheppard, Shymko, Snow, Stephenson, B. M., Sterling, Stevenson, K. R., Taylor, G. W., Taylor, J. A., Timbrell, Treleaven, Villeneuve, Walker, Watson, Welch, Wells, Williams, Wiseman, Yakabuski.

Ayes 39; nays 66.

The House adjourned at 10:33 p.m.

CONTENTS

Thursday, November 19, 1981

Private member's motion

Ontario energy investment , Mr. Smith, Mr. Cassidy, Mr. Welch, Mr. Mackenzie, Mr. Wildman, Mr. Foulds, Mr. Drea, negatived.	3693
Adjournment	3717

SPEAKERS IN THIS ISSUE

Ashe, Hon. G. L.; Minister of Revenue (Durham West PC)
 Baetz, Hon. R. C.; Minister of Culture and Recreation (Ottawa West PC)
 Bradley, J. J. (St. Catharines L)
 Breaugh, M. J. (Oshawa NDP)
 Cassidy, M. (Ottawa Centre NDP)
 Cooke, D. S. (Windsor-Riverside NDP)
 Cousens, D.; Acting Speaker and Deputy Chairman (York Centre PC)
 Cureatz, S. L.; Deputy Speaker and Chairman (Durham East PC)
 Drea, Hon. F.; Minister of Community and Social Services (Scarborough Centre PC)
 Foulds, J. F. (Port Arthur NDP)
 Gordon, J. K. (Sudbury PC)
 Kerrio, V. G. (Niagara Falls L)
 Mackenzie, R. W. (Hamilton East NDP)
 Mancini, R. (Essex South L)
 McCague, Hon. G. R.; Chairman, Management Board of Cabinet (Dufferin-Simcoe PC)
 Mitchell, R. C. (Carleton PC)
 Nixon, R. F. (Brant-Oxford-Norfolk L)
 Piché, R. L. (Cochrane North PC)
 Reed, J. A. (Halton-Burlington L)
 Smith, S. L. (Hamilton West L)
 Swart, M. L. (Welland-Thorold NDP)
 Taylor, G. W. (Simcoe Centre PC)
 Van Horne, R. G. (London North L)
 Watson, A. N. (Chatham-Kent PC)
 Welch, Hon. R. S.; Minister of Energy (Brock PC)
 Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)
 Wildman, B. (Algoma NDP)



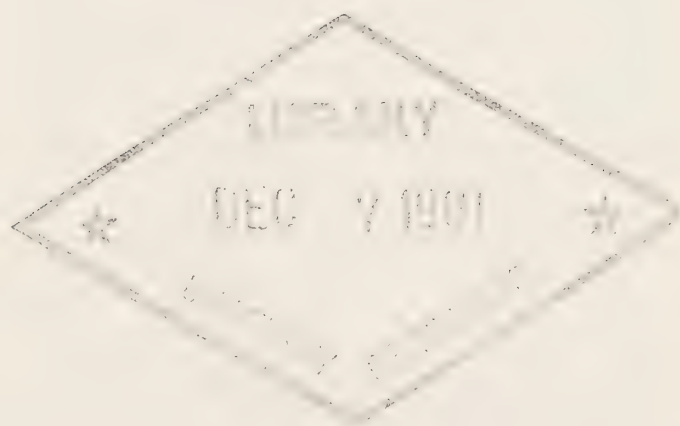
Ontario

LEGISLATIVE ASSEMBLY

No. 104

Legislature of Ontario Debates

Official Report (Hansard)



First Session, Thirty-Second Parliament

Friday, November 20, 1981

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Friday, November 20, 1981

The House met at 10 a.m.

Prayers.

VISITOR

Mr. Speaker: Before we commence with routine proceedings I ask all members of the Legislature to join me in welcoming and recognizing in the Speaker's gallery the honourable Clement T. Maynard, Minister of Labour and Home Affairs, Nassau, Bahamas, and president of the Commonwealth Parliamentary Association.

ORAL QUESTIONS

CAR TAX REBATES

Mr. Sweeney: I guess this is a sign of things to come, Mr. Speaker. The pickings are really slim.

Hon. Miss Stephenson: I don't think you can say that.

Mr. Sweeney: I wasn't talking about individuals.

May I direct a question to the Minister of Revenue (Mr. Ashe). The car tax rebate program instituted by his colleague the Treasurer (Mr. F. S. Miller) will reduce provincial revenue by something in the neighbourhood of about \$3.5 million. Is the minister aware that on that basis at least nine automobile dealers in Ontario are now importing 1981 cars from Quebec in order to fill up their inventory so they can take advantage of his rebate program?

Our consultation with two auto transport companies indicates they are very busy transporting 1981 model cars from Quebec dealers to Ontario dealers in order to take advantage of that program.

Hon. Mr. Ashe: Yes, Mr. Speaker, I have been made aware of that issue, and frankly I think it is a very positive thing. As the member will recall, a very short time ago the honourable Leader of the Opposition (Mr. Smith) was rather critical of this program. He said it did not create one new job and it really was not doing anything for the automobile industry per se. This indicates to me, and to all honourable members who think it through at all, that the program is exceedingly successful.

The inventory of cars in Ontario, though it is

very substantial, is not enough to meet the demand of this excellent program. We are helping to reduce the inventory and backlog of 1981 automobiles even in adjoining jurisdictions. This in turn will mean additional production capabilities for 1982 automobiles, which in turn will generate new jobs and keep jobs in the automobile industry in this province.

My colleagues and I are very pleased with the extraordinary success of this program. If it means bringing in cars from other jurisdictions within this great country that is fine.

Mr. Sweeney: Supplementary, Mr. Speaker: I appreciate that the Treasurer and the Minister of Revenue in Quebec are having problems with their deficit, but surely it is not the responsibility of the Ontario taxpayer to subsidize the financial difficulties of a sister province through an expenditure of something in the neighbourhood of \$3.5 million.

Does the minister not realize that if an Ontario car buyer goes into one of those showrooms he can get a 1981 car at a reduced price instead of buying a 1982 car as he would otherwise have done—if not this month then next month? Does the minister not realize we are not helping production at all in the Ontario auto plants and more and more auto workers are going to be laid off because of this silly program and the way he runs it? Does he not realize the inventory problem must not have been anywhere near as serious as he thought, if our car dealers have to bring cars in from Quebec at our expense?

Hon. Mr. Ashe: Mr. Speaker, it is too bad some of the members opposite do not understand the economic system and the retailing system as it works with commodities such as automobiles. What we are talking about is a great number of cars. Most of the automobile production in this country is in Ontario. Whether the automobiles being retailed end up in Manitoba, Quebec, Alberta or New Brunswick does not matter.

If we can retail them here through our dealers, we are keeping our dealers in business. We are not only reducing their inventory, which was the prime thing we were after—no doubt about that at all—but if we can move cars through, it will help maintain their jobs, keep

them in business and still get closer to the point where 1982 production can come off the assembly lines of production plants in Ontario and spread across Canada.

Mr. MacDonald: From the ministries, for example the Ministry of Agriculture and Food, we have been constantly told it is not the job of the provincial Treasury to sort of prime the pump and assist farmers. They say it is a job of the federal government because if they do it they get into conflicting and overlapping policies. How does the minister reconcile that now when he is using the provincial Treasury to assist sister provinces and bragging about it being a good program? Why does the government not do the same thing for Ontario farmers who are in a desperate position?

Hon. Mr. Ashe: Mr. Speaker, that question should probably be directed to the Minister of Agriculture and Food, but I do not see any conflict at all. We are talking about two distinct sectors of the economy. There is no doubt at all—I think even the member would agree—the bulk of the automobile industry and the supporting auto parts industry in Canada is principally domiciled in Ontario.

I think the member would also agree that although the agricultural community in Ontario is very significant, one cannot say it is necessarily a substantial part of what goes on in all of Canada. It is very important but not relative to the amount of the automobile business in this province. If we can move the backlog of cars in Canada, principally in Ontario first, we can get production going again on the 1982 cars and get them into the dealerships ahead of when they would have been produced without our program.

Mr. O'Neil: Mr. Speaker, I wonder if I might then ask the minister why he does not put on some type of controls so that the 1981 cars left in Ontario have to be sold before any of these cars are imported from other provinces? I wonder if I could have the minister's comments on that.

Also, I wonder if the minister could tell the House this morning on what information the Treasurer and the minister base this rebate on taxes? In other words, how many 1981 cars were there left in the province to be sold by dealers?

Hon. Mr. Ashe: As I recall, there were estimated to be something in the order of 47,000—I think that was the number of cars—and it was felt the program would be considered more than successful if 25,000 of those cars were moved. On the basis of the reports we are

hearing, it will be much more successful than that.

About those places where cars are being brought in, that is happening because obviously there are no cars in that area. I think it is safe to say if there is a Ford dealer in Toronto who does not have cars to merchandise, he is going to check around with the Ford dealers in the greater Metropolitan area before he is going to think of anywhere else. That is just common sense, in my view. I realize common sense sometimes is rather difficult to comprehend but it seems pretty academic to me. I see no conflict at all in moving the cars. Common sense says the cars in Ontario are going to be moved first.

Mr. McKessock: On a point of privilege, Mr. Speaker, how can the minister say agriculture is not important compared with the automobile industry?

Mr. Speaker: Order, order. That is not really a point of privilege.

10:10 a.m.

Hon. Mr. Ashe: That's not what I said.

Mr. Ruston: It's a good point, though.

Mr. Speaker: All right, let us hear it.

Mr. McKessock: My point of privilege is that when one out of four work in agriculture or agriculture-related industries in Canada it is unfair or it is against the privileges—

Mr. Speaker: Order. That is not a point of privilege.

PLANT LAYOFFS

Mr. Sweeney: Mr. Speaker, I have a question for the Minister of Industry and Tourism. The minister will be well aware from his own government sources that there have been 24,000 layoffs in this province up to August 31. He will also be aware, from sources which have not been published but which I am sure he has, that there have been at least 10,000 layoffs since September 1. And just to put it in context, that total equals approximately half the population of my entire riding.

What policy response will the minister put forward specifically to reduce this trend, since the Board of Industrial Leadership and Development obviously has no effect on this situation?

Hon. Mr. Grossman: Mr. Speaker, those figures, which anyone setting up a national interest rate policy could have predicted, are not going to be turned around by any government in a situation in which people cannot

afford to buy the goods our workers are making. Let us be clear about it: Nothing a provincial government can do is going to make people suddenly decide they can afford refrigerators, stoves or new cars; nothing is going to turn that around if ordinary citizens simply cannot afford to finance the purchase of these goods.

The federal Liberal government is quoted today as saying it has decided to fight inflation on the backs of blue-collar workers and now white-collar workers in this province. They have decided they are going to fight inflation and fight interest rates by moving this country into a temporary recession.

That is easy for them to say. But looking at the nature of this country there are much-needed resource developments coming on stream out west that we support and that we have indicated we are willing to pay the price for. So there is going to be economic activity out west. There are offshore developments in Atlantic Canada that are very good for this country, so there is not going to be a recession there.

The only way the federal government can slow down the economy and lower inflation and interest rates is on the backs of those people who work in manufacturing industries in central Canada. It has also quite clear that by central Canada they mean "let us slow it down in Ontario."

I would like to hear anyone propose a series of budget measures worse than last Thursday's budget measures—

Mr. Kerrio: Miller agrees with it.

Mr. O'Neil: Bring in a mini-budget.

Mr. Speaker: Order.

Hon. Mr. Grossman: —in order not only to create that but to compound our problems. I find it frankly outrageous that the federal government takes millions, billions, out of this province and does not put it back to help the laid-off workers, to help the people who are most affected by their own recessionary policies. Then they say, "We will just stand back. We as a federal government will not participate in your BILD initiatives. We will not help out cities such as Brantford" as we have asked.

They just stand back, take their hands off and say, "We are just going to allow all those layoffs to occur in Ontario, because we have to fight inflation." That is a bankrupt national economic policy. And let us make no mistake about it: As long as the federal government decides to fight inflation by putting recession into Ontario there are going to be more and more layoffs.

No province has situated itself better to fight back against that sort of thing than this province. Without any aid from the federal government the BILD program, which needs some private-sector investment to join with, will carry on and will do a lot more for economic recovery in this province than anything purporting to be a national industrial strategy will do.

One of the problems we are going to have—and let us be clear about it—is that the BILD initiatives very much require private sector responses. The federal budget once again included measures that will make it more difficult for the private sector to respond and to reinvest in the Ontario economy, at a point when, if it were not for some of those budget policies of Mr. MacEachen, the private sector would reinvest in the Ontario economy. Now they have made it more difficult to do that. I cannot see in good conscience how anyone sitting in the Liberal Party anywhere in Canada can complain about economic policies as they affect Ontario.

Mr. Sweeney: Supplementary, Mr. Speaker: I would suggest that non-answer should be included in the statement time for the minister. Surely he is aware of the fact, when he talks about money going out of Ontario, that \$650 million is going out of Ontario through decisions made by his government. The minister will also be aware of the fact that, in terms of taking money out of Ontario taxpayers' pockets, his ad valorem tax is going to take more money out of the taxpayers' pockets than anything the federal government is going to do.

Mr. Speaker: Question.

Mr. Sweeney: In view of this vaunted BILD program that was advertised in this morning's Globe and Mail as \$145 million to unnamed projects, we would like to know where it is going. It said, "Permanent remedial measures are needed because Ontario believes skill training programs in industry should be maintained during periods of business slowdown." That is what the BILD promise said in terms of times of business slowdown. Let there be no doubt we do have a time of business slowdown.

How does the minister explain provincial transfers for apprenticeship and manpower training in the 1981-82 budget show absolutely no increase in this year's spending? In particular, what specific steps will he take for retraining and relocating thousands of workers now laid off? The BILD program does not answer that. The paper we had yesterday does not answer that. Never mind the federal government—what is the minister going to do?

Hon. Mr. Grossman: The member's performance this morning is going to make sure the member for Hamilton Centre (Ms. Copps) enters the race today, I do not doubt.

The member referred to the ad valorem tax and to Suncor. He may notice the Ontario ad valorem tax is somewhat different from the other energy taxes that have been put on the consumers of this province.

Mr. Sweeney: It still takes money out of people's pockets.

Hon. Mr. Grossman: Yes, but it takes money out of the Ontario taxpayers' pockets and keeps it in the Ontario economy. The taxes put on by the national government, the federal Liberal government, take money from Ontario consumers and they get lost in the corridors of power in Ottawa. They do not get back down here to the unemployed workers or to people who are suffering from high energy costs. They leave us.

Interjections.

Mr. Speaker: Order. The minister is responding to a question from the member for Kitchener-Wilmot (Mr. Sweeney). The other members will have an opportunity to ask questions. Would the minister proceed?

Hon. Mr. Grossman: The incredible thing is the Liberal party has four candidates and they are all running third. That is the incredible thing.

We have to remember that, where there is a layoff, the Ministry of Labour has a team put together that goes in and meets with the unions, the workers, and the businesses involved and ascertains where a retraining program would be appropriate. Those retraining programs are undertaken. Does the member want to ask my colleague the details of those programs? He really should. It may take the rest of the question period for the minister to give all the details of all the programs in place, but they are in place. If we look at the community college system, there is more retraining going on in the community college system of this province than anywhere in North America. There is no question about that.

Mr. Kerrio: You are in the importing business.

10:20 a.m.

Hon. Mr. Grossman: The other thing one ought to recall is that a great number of the workers who have been laid off understand

perfectly, and obviously they understand better than does the member who has just interjected, that when interest rates finally go down, if the national government will let them go down, and when the recession in the United States goes away and there is a better period in the United States, then those workers will go back to very well-paying, secure jobs.

Interjections.

Hon. Mr. Grossman: I do not want the members opposite to learn anything; they should be careful.

To give a good example, in the Massey-Ferguson situation, as the member's colleague knows very well, 75 per cent of the combines produced in the plant in Brantford are sold in the United States. Is it the member's belief we should now take all those workers and say to them, "There is not ever going to be an economic recovery in the United States"? Should we say to them, "Leave your jobs; leave all your positions and your ranking in terms of pension funds and seniority in the union and in Massey-Ferguson, and let us retrain you for another job"?

Many of those workers have some belief in that company. Many of them want the opportunity to go back to that company and are still hopeful, as we are, that the American situation will improve sufficiently that a lot of those workers will go back. Let us not pretend that all of the layoffs that have occurred are permanent layoffs. Let us not pretend that all those jobs are lost. Experience indicates that most of those people will be recalled if the recession is as short-lived as we hope it will be.

I have made it quite clear the national budget has made certain the recession will go on longer than necessary. But I do not think anyone should throw in the towel and say those temporary layoffs are going to turn into permanent layoffs and that those people should be retrained rather than stay in place in great communities such as Brantford and Chatham, ready to go back to work when the recession fades. Give them a chance, I say to the member.

Mr. MacDonald: Mr. Speaker, you will have noted that we have had a slashing attack on the federal budget today, compared with the pussy-cat criticism that came from the Treasurer yesterday.

Mr. Speaker: Do you have a supplementary?

Mr. MacDonald: Yes. This morning, that authoritative journal, the Sun, reports: "Permanent layoffs of Ontario workers increased by a

whopping 20 per cent last month—and Industry Minister Larry Grossman says it will get worse.” Yesterday we had the Treasurer boasting about what the Board of Industrial Leadership and Development has achieved. Surely it is obvious to everyone, including the minister, that even with BILD we have this whopping increase the minister is drawing attention to.

Is it not time the minister quit blaming Ottawa and came up with an economic stimulation program here that will stop this whopping increase? Why does he not stop passing the buck to Ottawa all the time?

Hon. Mr. Grossman: Mr. Speaker, I do not know the way the NDP caucus works but when we speak about the budget we speak with one voice.

Mr. MacDonald: Read Hugh Winsor this morning.

Mr. Speaker: Order.

Hon. Mr. Grossman: The Treasurer has his responsibilities. I have mine. This government’s budget response is developed as one unit, with all the ministries working together. What the member opposite is seeing is the government response—not mine, not the Treasurer’s, but the government’s response.

One can look at the national employment and unemployment figures and see that in spite of our largest industrial sector, the automotive sector, being in difficult times—not because of anything that happened in Ontario but because of worldwide conditions—we are still well below the national average in unemployment. In spite of that there are about 120,000 new jobs in Ontario this year which were not in place last year. Also in spite of that, there are 56,000 more manufacturing jobs in Ontario this year than there were created in all of the United States last year.

The members opposite will be delighted to hear that all of those things are not due to government initiatives, but they will not be delighted to hear that some of them are due to government initiatives. The reason this province will continue to be well below the national average in unemployment, the reason it will continue to outperform the economy generally in the rest of Canada, and the reason we will continue to outperform New York, Pennsylvania, Ohio, Michigan and all our industrial competitors, is because, in spite of the fact the federal government has chosen to fight inflation by putting recession in our province, this government will not lie down quietly and let that

happen.

We will have stimulation programs. We will have 2,000 workers working at the Toronto Convention Centre sometime next year, who otherwise would be on unemployment. We will have people building radial roads in this province, who otherwise would be on unemployment if it were not for the Board of Industrial Leadership and Development program. We will have people building three or four high technology research and development centres in all parts of this province, next year and the year after, who otherwise would be unemployed if it were not for the initiatives of this government. We would have thousands of people who would not be retrained if it were not for those initiatives. We would not have people building the new King Mountain development up in Sault Ste. Marie if it were not for the BILD initiatives. We would not have people putting in the Collingwood infrastructure and servicing to build those new tourist facilities in Collingwood. And I want to say—

Mr. Ruston: On a point of order, Mr. Speaker: I must advise that you are not enforcing the rules you are supposed to as arbitrator of the question period. The length of time on that question is completely out of order.

Mr. Speaker: Order. The question was asked by the member for York South whether it was not time the province developed an industrial strategy separate from the federal government. The minister has chosen to respond at great length in detail. However, while I have the opportunity, I would point out to all the honourable members that approximately half the question period has been spent on two questions.

Mr. MacDonald: On the same point of order, Mr. Speaker: I am glad to have the Liberals join the ranks on this issue, but I respectfully suggest to you, if it is legitimate to give answers as long as that, it is going to be legitimate to ask questions longer than the rather brief one I asked and got this outpouring in answer to.

Mr. Ruprecht: Final supplementary, Mr. Speaker: The minister should answer this House as to why he has taken on the portfolio of Minister of Industry and Tourism, when he can stand up here and tell us there is nothing the provincial government can do about jobs and about industrial strategy. That is what he has indicated, and we on this side are pretty upset at some of the people over there who have taken on portfolios and have turned out to have pip-

squeak minds, and to be unable to perform as they should.

Mr. Speaker: Supplementary.

Mr. Ruprecht: We are asking on this side that the minister state clearly and fully what his policy will be that will direct itself at the question of creating jobs in this province. The minister has not answered that specific question, and that is why we are upset on this side. He has done absolutely nothing by his own admission. That is why we think he ought to quit.

Interjections.

Hon. Mr. Grossman: I think that is probably the finest question we have heard this session. The honourable member must have just come into the House. I completed my answer, and the Speaker cautioned me about giving too many details of our economic development program, and taking too much of question period in outlining all the initiatives we were taking to fight unemployment in this province. The criticism was not that we did not have enough. The criticism I have just finished taking from the former leader of the NDP and from the esteemed and respected Speaker of this House was that I was giving too many details about too many initiatives.

I have another two pages here of initiatives. If the member really wants the answers he should get permission of the House to extend question period. I think I could keep him here until noon, telling him about the economic development strategy. By the way, if he wants jobs—

Mr. Ruprecht: Jobs are what we need.

Hon. Mr. Grossman: If the member wants jobs—

Mr. Speaker: Order. New question, the member for York South.

10:30 a.m.

NORFOLK CO-OPERATIVE

Mr. MacDonald: Mr. Speaker, I have a question for the Minister of Consumer and Commercial Relations. A couple of weeks ago, the Minister of Agriculture and Food (Mr. Henderson) convened a meeting made up of representatives of the Norfolk co-operative, the critics from the two opposition parties and people from various ministries to discuss a question which he has presumably ignored for the last six weeks, namely, the threat of a corporate takeover of the Norfolk co-operative.

We were told by one of the officials of the

Ministry of Consumer and Commercial Relations, namely the director of the credit unions and co-operatives services branch, Mr. Best, that within one week the minister could come up with an amendment which would make it impossible for an outsider to take over that co-operative against the wishes of the board of directors of the co-operative. The week has passed twice over. Are we going to get that amendment to stop this kind of threat to the co-operative movement?

Hon. Mr. Walker: Yes.

Mr. MacDonald: A supplementary question, Mr. Speaker: I appreciate we are going to get it, but may I draw the minister's attention to the fact that the vice-president of that co-operative wrote to the minister on September 30 to ask for an interview. They have never yet got it. It is only because of the instigation flowing from the Minister of Agriculture and Food that he called the meeting. Can we expect it before Christmas so this threat will be stopped before it is realized?

Hon. Mr. Walker: Yes.

Mr. Kerrio: A supplementary question, Mr. Speaker: When?

Hon. Mr. Walker: Mr. Speaker, soon.

Mr. Foulds: A supplementary question, Mr. Speaker: Can the minister be more definitive and give us an exact date?

Hon. Mr. Walker: Mr. Speaker, No.

Mr. MacDonald: I thought I gave him fair leeway when I asked if he would do it before Christmas, Mr. Speaker, but even that was more than he could handle.

WAGE PROTECTION

Mr. MacDonald: Mr. Speaker, I have a question for the Minister of Labour. In Bill C-12 the federal government is now bringing down amendments to the bankruptcy legislation, something that will cope so that workers on the occasion of a bankruptcy will be protected for their wages, for their severance pay and their fringe benefits. Since this is going to take some time to be implemented, the federal government has established a wage protection fund for a three-year period.

While they are building up the resources to do this, they are going to take contributions out of their consolidated revenue to meet the needs of the workers, but they put a cap on it of \$1,000. My question of the minister is this: Is Ontario willing to move in with supplementary legisla-

tion, amendments to the Employment Standards Act, which will supplement that grossly inadequate \$1,000 assurance to workers who are losing wages, severance pay and fringe benefits? If this is going to represent too heavy a drain on his consolidated revenue, will he set up a temporary wage protection fund to finance that here in Ontario by a minimum levy on all employers?

Hon. Mr. Elgie: Mr. Speaker, We have reviewed on many occasions the issue of insolvencies as well as bankruptcies. I welcome the Landry report and I have written to the federal Minister of Consumer and Corporate Affairs, Mr. Ouellet. If the member will permit, I would like to read the substance of those remarks.

"Dear Mr. Ouellet: I received a copy of the Landry report on the problem of wage protection in bankruptcy and insolvency and have reviewed it with interest. I fully support your announced intention to proceed immediately to enact amendments to Bill C-12 as an interim solution. As the report states, the federal government should assume the lead role in setting up a new wage protection system for Canada in view of its clear responsibility in matters of bankruptcy and insolvency. For our part, we would be pleased to enter into immediate discussions to ensure that the interests of Ontario workers are adequately addressed."

We are prepared to proceed with those discussions at any time.

Mr. MacDonald: The minister has not answered my question other than with a great generality. The federal government is moving on an interim program for the next three years while it gets a long-term program established. Is the minister willing to come in with an interim program at the provincial level and thus do something about the disgraceful offer of \$1,000 maximum to cover wages, severance pay and fringe benefits in the event of a worker being unsecured in the current bankruptcy situation and therefore being left high and dry? Will he bring in a supplementary program of some kind?

Hon. Mr. Elgie: With the greatest respect to the member, I am sure his great knowledge of the political process cannot help but lead him to the conclusion, as it does with everybody else, that the jurisdiction with regard to bankruptcies and insolvencies rests with the federal government. He can say all he wants, but the courts have made that very clear. We are prepared to co-operate in whatever reasonable way presents itself in the forthcoming discussions, I have

already agreed to do that.

Mr. Sweeney: Mr. Speaker, is the government prepared to set up a fund from which workers who got caught in a bind, the kind of bind the minister just described, could be paid? Then the government could recover from the estate of the bankruptcy later. The workers could get what they need right now and use the fund, and the government could recover the moneys at a later date.

Hon. Mr. Elgie: Mr. Speaker, I do not know whether the member has had the opportunity to glance at the Landry report, but those are the very issues that are addressed there. The jurisdictional problems are pointed out, and it very clearly spells out the need for the federal government to take the lead and for provinces to co-operate. Certainly we are prepared to take part in those discussions, but if he reads the report he will understand the jurisdictional problems.

Mr. MacDonald: With respect, there is a bit of doubletalk in the minister's reply. He has resorted to the old argument that the responsibility for protection of anybody in bankruptcy is a federal responsibility. So he is willing to talk and co-operate; is he willing to do anything to supplement what is in prospect, namely, a grossly inadequate \$1,000 compensation to a worker who is left high and dry in the wake of a bankruptcy? Is he willing to do anything at the provincial level other than talk?

Hon. Mr. Elgie: I do not propose to match what the honourable member is doing; that is, talking. He is talking about an issue that he clearly knows is within federal jurisdiction, bankruptcies and insolvencies.

UNIVERSITY FUNDING

Mr. Wrye: Mr. Speaker, my question is to the Minister of Colleges and Universities. I am sure the minister will remember her comment in introducing her ministry's estimates last month, that, "Ontario's funding restraints on post-secondary education until now have been absorbed without serious damage to objectives." She will now be aware of the comments made yesterday by the outgoing chairman of the Ontario Council on University Affairs, Dr. William Winegard. He said some universities in this province could be bankrupt and in receivership within two years.

Will the minister be kind enough to explain, given that this crisis of underfunding has led universities to the brink of bankruptcy, how she

concludes that there has been no "serious damage to objectives"?

Hon. Miss Stephenson: Mr. Speaker, I have a little difficulty with the honourable member's logic, but that is not unusual, because his logic is somewhat circuitous. None the less, I believe the objectives that have been established by OCUA for university education in this province have not been seriously damaged. We most certainly have not impinged upon the direct management of the institutions.

The universities have a very clear option: they may approach the public generally for support. That has not been vigorously pursued in this province or in this country. The private sector in the United States, made up primarily of individuals, donated more than \$4 billion to universities in that country last year. Unfortunately, Canadians are much more parsimonious in their giving. I believe it is the responsibility of every graduate of every university in this country to provide some additional support beyond that which is ordinarily expected of the taxpayer.

10:40 a.m.

There is some danger in certain institutions, and if those institutions do not modify their current practices, they are in danger perhaps of running into real financial difficulty within the next two or three years. Dr. Winegard has said that. That outcome really depends upon the capacity of that administration to modify its own internal structure to meet the requirements.

Mr. Wrye: It is just amazing that the minister apparently now is concluding that the way to solve the crisis is to privatize the funding of public institutions.

I am going to send the minister a copy of a list of the effects of underfunding prepared for me just last week by the University of Windsor, an institution that used up the last of its reserves just this year. The minister will note that the university lists an astounding total of 75 effects on teaching supplies and equipment, support staff, the library, the physical plant, teaching personnel and a whole series of miscellaneous examples.

How much additional proof does the minister need of the funding crisis at the University of Windsor and at every other university in Ontario before she and this government will finally take some action to save the province's university system?

Hon. Miss Stephenson: The province's university system does not need to be saved. It is safe now. What the honourable member is asking for is additional support. He must realize that those autonomous institutions set their own priorities. The University of Windsor very recently opened a very beautiful new building, and that priority was established by the administration of that university. There are other things the university could have done with the money that was available to it.

I object to the deliberate and intentional distortion of my remarks by the honourable member. I did not suggest the reprivatizing of the universities—

Mr. Cooke: Yes, you did.

Hon. Miss Stephenson: The member cannot hear either, obviously.

Mr. Speaker: Order.

Hon. Miss Stephenson: What I was suggesting was that each one of us who has had the privilege of a university education has an additional obligation as a Canadian to provide our own private donations, aside from tax funds. We do it badly. We do it very badly. I suggest that those on the opposite side are just as bad as any other Canadians, as are some of my colleagues.

I hope that at some point in the not too distant future those of us who have real concern, because we graduated from universities, will recognize that we have personal responsibility and begin to really do something about it.

Mr. Cooke: Don't be silly.

Hon. Miss Stephenson: I am not being silly. The member is being silly.

Mr. R. F. Johnston: Mr. Speaker, I want to raise a question on the university that may be the first one to go under as a result of the minister's underfunding; that is, Trent University in Peterborough.

Is the minister aware of the Hansen report on Trent University, which in response to its \$1.5-million deficit is suggesting that it will be taken into receivership if the measures recommended in the Hansen report are not taken? These measures could ruin the essential distinction of that institution in this province. Does she endorse the recommendations of the Hansen report, and is Trent going to be the first victim of her underfunding in this province?

Hon. Miss Stephenson: Is the honourable member a graduate of Trent?

Mr. R. F. Johnston: Yes.

Hon. Miss Stephenson: How much does he donate to Trent every year as an alumnus?

Mr. Cooke: Don't be so silly. That's not the answer to underfunding.

Mr. MacDonald: Back to the nineteenth century—private funding of universities.

Hon. Miss Stephenson: Trent is the one university in this province that is really beginning to undertake a critical examination of its role within the university system to ensure not only its viability but also the quality of the contribution it makes. As a result of that commitment and that modification of structure, organization and purpose last year, it has been granted additional funding, called a reorganization grant, on the recommendation of the Ontario Council on University Affairs. Trent is moving solidly in that direction—

Mr. R. F. Johnston: That will destroy the whole system.

Hon. Miss Stephenson: It will not destroy that university. It will demonstrate the real value of that university in the system within Ontario.

HANDICAPPED WORKERS' WAGES

Mr. McClellan: Mr. Speaker, I have a question for the Minister of Labour. The minister will recall that we have raised a number of times a concern about the low level of wages paid to handicapped workers in this province's sheltered workshops—wages that average, according to the most recent study done for the ministry, 55 cents an hour.

Is the minister aware that ARC Industries in Brantford is contracting out handicapped employees in its sheltered workshops to private employers and receiving the minimum wage for this work, while it is not paying its employees the minimum wage but 50 cents an hour and pocketing the difference, if I can put it that way? Is that legal under an exemption from section 24 of the Employment Standards Act? And will the minister investigate it?

Hon. Mr. Elgie: Mr. Speaker, I have no information available at the moment to respond to that question. I will be pleased to take it as notice and respond.

Mr. McClellan: Does the minister recall the report I referred to, entitled Wage Permits for Handicapped Employees, prepared for the ministry by Abt Associates of Canada in December 1980? Does he recall the section on page 30 that states, "The most significant feature of the

current situation in sheltered workshops is that only one third of the rehabilitation workshops in Ontario have wage permits"? The report goes on to say that they may be operating in violation of the law.

What action has the minister taken to deal with this situation?

Hon. Mr. Elgie: Although I recall page 31 well, I cannot recall page 30 too well; so I will take the question as notice, and I will respond to the member.

Mr. McClellan: Well, that's very funny. But is the minister—

Hon. Mr. Elgie: It is not funny.

Mr. Speaker: Order. The minister did say he would take the question as notice and respond later.

Mr. McClellan: May I have another supplementary?

Mr. Speaker: No. That was the final supplementary.

WINTER WORKS

Mr. McKessock: Mr. Speaker, I have a question for the Minister of Municipal Affairs and Housing. I have been contacted by several of my rural municipalities, which are already in a depressed state facing winter. They are asking me if any winter works projects are going to be put forward by the Ontario government this winter and whether there are any in place right now or if any are contemplated to alleviate the disastrous unemployment situation this winter.

Hon. Mr. Bennett: Mr. Speaker, the ministry always has under consideration possible programs that could be offered to the municipalities and regions of the province. I am not in a position to indicate any of them today or to say whether we will come forward with them. Discussions take place between my ministry people and the Treasury to try to contemplate what the long-range situation could very well be.

Interjections.

Mr. Speaker: Order.

Hon. Mr. Bennett: I want to make it clear that while it is extremely simple to get up and ask about winter works programs, these programs generally call upon a municipality to contribute to the cost of the program. At this time, most municipalities clearly indicate that they do not want to get into that situation. We are still reviewing it to see what we might be able to do, but I am not in a position to make a statement,

nor do I expect to make a statement in the relatively near future.

Mr. McKessock: Since it is snowing in my area this morning and with winter very close, I wonder what the minister means when he says he is not contemplating it in the near future. Are we going to have an announcement before Christmas?

Hon. Mr. Bennett: In the fullness of time, if we are bringing a program forward, we will announce it.

GRAIN ELEVATOR EXPLOSION

Mr. Foulds: Mr. Speaker, I want to ask a question of the Solicitor General with regard to the fire and explosion at the Cargill grain elevator in Thunder Bay last May. Now that he and his officials have had time to study the fire marshal's report of that explosion and fire, can he explain why there are no recommendations—

Interjections.

Mr. Speaker: Order. The member for Port Arthur has the floor. Will the member proceed?

10:50 a.m.

Mr. Foulds: Can the Solicitor General explain why there are no recommendations in that fire marshal's report as it pertains to the fire that had been in bin 328 for at least a year and two months before the explosion? Why is there no description of the company ceasing to work on that fire in the bin some two weeks before the explosion, presumably for financial reasons? Why is there no recommendation with regard to the pouring of carbon tetrachloride into the bin approximately one hour before the explosion?

Why is there no comment or explanation about the fact that the fire was not reported to the fire department when it was noticed by the workers at 11 o'clock in the evening and was not reported to the fire department until approximately 5:30 the next morning, which was a full hour after the first explosion took place?

Why were there no recommendations on those parts of the report or pieces of evidence?

Hon. Mr. McMurtry: Mr. Speaker, I do not recall the details of that fire marshal's report, but I certainly will discuss with the fire marshal the concerns that have been raised by the honourable member and report back to him and our colleagues in the Legislature.

Mr. Foulds: While the Solicitor General is communicating with the fire marshal, can he also indicate to us how thorough an investigation and interviewing process took place between

the fire marshal's officials and the men who were on duty, not merely those on the shift between midnight and 8 a.m., when the explosion actually occurred, but also those on the afternoon shift between 4 p.m. and midnight who first noticed the fire, and what investigations took place with regard to the union leadership there as well?

Hon. Mr. McMurtry: I will certainly make those concerns part of my inquiry of the fire marshal.

CONSTITUTIONAL RESOLUTION

Mr. McGuigan: Mr. Speaker, my question is to the Premier. According to a news report this morning, the Premier of the great province of Saskatchewan is having some second thoughts about women's rights and aboriginal rights. Will the Premier, with the help of his good friends in the third party, appeal to the Premier of that province and try to move him along to join those two items in the accord in which the Premier has played such a prominent part so that the debate will be ended and we will get our constitution and charter of rights as they should be, with protection to those two groups?

Hon. Mr. Davis: Mr. Speaker, perhaps the honourable member did not hear what I said yesterday. My information, which is probably now an hour and a half old, is that there is some indication that the Premier of Saskatchewan will accept the equality section as it applies to women's rights. He is as anxious as I am to have the aboriginal rights contained in the proposed charter. I understand there are still one or two Premiers who have reservations with respect to the aboriginal rights, but I think we are getting very close with respect to equality rights as they relate to women.

Mr. McKessock: Mr. Speaker, why did the Premier not try to get property rights included in the charter?

Hon. Mr. Davis: Mr. Speaker, I have to tell the honourable member we worked very hard to get everything included in the charter. Perhaps he was not here when I explained what happened and what the process was and that this province accepted the principle and intent of the former resolution. We would have continued to support that but I felt, along with others, that some consensus should be achieved. We achieved that consensus, and in that consensus some things were included and some were not.

We have not altered our point of view, but the accord is there. It was a very historic occasion.

It has been agreed to. My only hope is that it will now move through the House of Commons with great rapidity so the debate can come to a conclusion.

Mr. MacDonald: Mr. Speaker, I rise really on a point of order rather than to ask a supplementary question. I wish to correct the observation of the honourable member who originally asked the question. Saskatchewan has always been in favour of aboriginal rights inclusion. They have now indicated that if the charter is being opened, they are willing to support both, as the Premier just said. But they have always been in favour of aboriginal rights being in the charter.

Hon. Mr. Davis: On the point of order, Mr. Speaker: I never said Saskatchewan was not in favour of aboriginal rights—

Mr. MacDonald: No. The member did.

Hon. Mr. Davis: —but I have to point out that Saskatchewan has been reluctant to accept the equality provisions as they relate to women.

Mr. MacDonald: If we are going to get—

Mr. Speaker: Order. We are not going to have a debate.

The member for Hamilton Centre.

Ms. Copps: Mr. Speaker, can I ask the first minister—

Mr. Swart: We haven't had a supplementary.

Mr. McClellan: We haven't had any.

Mr. Speaker: I realize that, but I recognized the member for York South and he said he had a point of order. With all respect, this is the final supplementary.

Ms. Copps: Mr. Speaker: Can I ask the first minister why he allowed equality of the sexes to become a point of negotiation?

Hon. Mr. Davis: Mr. Speaker, with great respect, it was not a point of negotiation.

HOSPITAL BILLING

Mr. R. F. Johnston: Mr. Speaker, my question is for the Minister of Health in regard to the high cost of hospital care in the province.

A Scarborough woman was hospitalized this summer for nine days at Scarborough General Hospital and, because part of her cost was picked up through a group plan, she received a receipt and learned that the hospital had billed the Ontario health insurance plan for 18 days in that hospital. The hospital, when contacted, admitted it was an error.

How much money is being wasted in this province at the moment through improper billing or through error? What are the auditing

practices of OHIP at the moment? And what is the sampling, for instance, in terms of discovering the number of errors and the extra cost to the people of Ontario, which in this case would have been double the cost if this mistake had gone through?

Hon. Mr. Timbrell: Mr. Speaker, there has been another error somewhere, because the hospitals do not bill the Ontario health insurance plan on a per diem basis for patient utilization of in-patient facilities. I do not know what slip she got, but I can tell the member that the plan does not work that way. Every hospital in this province is given a global budget.

After the fact, we do frequently refer to per diem costs, but per diem costs are based on an evaluation after the close of the fiscal year and are what they actually spent divided by the number of patient days. That tells us how much per day it would have cost if we were billing in that fashion.

For instance, when my wife was discharged last week from Women's College Hospital, one of the things they gave me was a slip of paper saying, "If we were billing you or the health plan on a per diem basis, the cost would have been \$1,050," or something like that.

But that is not the way the system is operated. Scarborough General Hospital or any other hospital does not send us a statement saying: "Richard Johnston has been here for six days. Please reimburse us for whatever amount." That is not the way the system works.

Mr. R. F. Johnston: If I could send over the form that was sent to the individual under the group plan, the minister will note that it does state the government allowance for the cost is X dollars, in this case \$2,934 instead of the \$1,467 it would have been for nine days.

Is it not true that the ministry does a one per cent sampling of the bills that are picked up through OHIP, both for hospitals and for doctors in terms of fees for service?

Is there some reason why we do not move towards the Quebec approach to automatic receipting of individuals so they know the cost of their stay or their visit to a doctor rather than having it go through as it does?

Hon. Mr. Timbrell: We have encouraged the hospitals to provide discharged patients on a voluntary basis with a notice similar to the one I just referred to, which I was given last week when my wife was discharged from the hospital, so people will be aware of the cost of hospital services.

By the way, I point out that OHIP is the part of the Ministry of Health that looks after physician services and what we call the COCO group, the chiropractors, optometrists, chiropractors and osteopaths. OHIP does not deal with the hospital budgets; they are dealt with by another part of the ministry, the institutional services division.

I think the woman must have been in a semi-private or private room, because what we have here is not a bill to the Ontario health insurance plan but a statement relating to semi-private or private accommodation. The auditing the member refers to should be done by Great West Life, which is the company being billed for this.

11 a.m.

FORMER PSYCHIATRIC PATIENTS

Mr. Ruprecht: Mr. Speaker, I have a question for the Minister of Health. Why is the minister doing nothing about the ex-psychiatric patient housing crisis, which is worsening? The problem was reported three years ago; so the situation is not a new one.

Why is the minister making barely token efforts to solve this housing crisis when he knows full well the ex-psychiatric patients in Toronto are living in appalling, deplorable conditions? He also knows he is to blame, because when he started his program of deinstitutionalization he failed to establish a system to integrate these people into the community.

Hon. Mr. Timbrell: Mr. Speaker, I doubt that anything I might say would convince the honourable member. I have sent him all kinds of information about what is being done in the short term and in the longer term.

I did not start deinstitutionalization. It is something that has been going on for the better part of 20 years. I would argue with my friend that, in the last five years in particular, more has been done with respect to the establishment of community mental health programs, outpatient programs and the enrichment of community psychiatric facilities than in any comparable period.

Regarding the current situation, the member knows that in the spring of 1981 the problem was particularly exacerbated by the real estate market. A number of boarding home facilities were sold, causing a shortage of housing. I think we have moved quickly and appropriately to meet the short-term requirements and to take steps towards the longer-term requirements so

that people who are in need of more supervised surroundings than most will be looked after.

Surely the member is not trying to suggest that every discharged patient will be housed. What we are trying to do, by way of the establishment of the assessment unit at Queen Street Mental Health Centre and working with various community groups, is to ensure that those who are in need of a more supervised form of housing will have their needs met.

AUTO PACT

Mr. Kerrio: On a point of privilege, Mr. Speaker: Last week, in the absence of the Minister of Industry and Tourism, I directed a question to the Deputy Premier (Mr. Welch) relating to my concerns about whether there would be some renegotiation of the auto pact, which would have quite an influence on jobs in Ontario. If the minister is going to answer on a subsequent date, that will be fine; if not, he may want me to direct that question to the Order Paper. I will take his advice.

Hon. Mr. Grossman: Mr. Speaker, I will give an answer to that question some time next week.

MOTIONS

WITHDRAWAL OF BILL 146

Hon. Mr. Bennett moved, seconded by Hon. Mr. Gregory, that Bill 146, An Act respecting certain International Bridges, be discharged and removed from the Order Paper.

Mr. Nixon: Mr. Speaker, can the minister explain why he wants this bill discharged? It appears there are going to be a number of government bills that are not enacted before the adjournment.

Hon. Mr. Bennett: Mr. Speaker, I understand that, by agreement of the municipal affairs critics, we are going to replace it with another bill this morning.

Motion agreed to.

INTRODUCTION OF BILLS

INTERNATIONAL BRIDGES MUNICIPAL PAYMENTS ACT

Hon. Mr. Bennett moved, seconded by Mr. Gregory, first reading of Bill 171, An Act respecting certain International Bridges.

Motion agreed to.

Hon. Mr. Bennett: Mr. Speaker, the bill I am introducing today will replace Bill 146, An Act respecting certain International Bridges.

The original bill applied to both the Niagara

Falls Bridge Commission and the Blue Water Bridge Authority for the year 1982 and subsequent years. The new bill will apply to the Blue Water Bridge Authority for the year 1981 and subsequent years, and there will be no change for the Niagara Falls Bridge Commission.

ANSWERS TO QUESTIONS ON NOTICE PAPER

Hon. Mr. Wells: Mr. Speaker, I wish to table the answers to questions 185, 188 and 244 and the interim answers to questions 223 to 236 standing on the Notice Paper. (See appendix, page 3751.)

ORDERS OF THE DAY

House in committee of supply.

ESTIMATES, MINISTRY OF NORTHERN AFFAIRS (concluded)

On vote 702, northern economic development program:

Mr. Chairman: We are continuing along in committee of supply on the estimates of the Ministry of Northern Affairs. The chair needs his memory refreshed as to where we were. The member for Algoma (Mr. Wildman) indicated he was up, but I forget.

Mr. T. P. Reid: Mr. Chairman, as usual, I can help you. I can provide more help than you are capable of accepting.

As I recall, at the end of last Monday evening, I had asked the minister a couple of questions. One was with regard to the activities of his ministry in terms of what I conceive to have some of the greatest potential for development in northern Ontario, the agricultural farming community.

Second, I asked the minister if he would care to discuss wild rice and what assistance he has provided, what he intends to do, and whether he is of the opinion that the five-year moratorium put into place in 1978 should be extended?

Hon. Mr. Bernier: Mr. Chairman, I have responses to a number of questions asked last Monday as we came to the conclusion of that period of debate.

One of the questions the member for Rainy River asked was, "How many doctors and dentists attended the medical recruiting week?" I am pleased to report that 632 doctors and dentists were interviewed during that one week by the 30 representatives of municipalities from northern Ontario. That is a significant number.

Hon. Mr. Timbrell: Including Ignace?

Hon. Mr. Bernier: Yes. Another question was, "Have we found a doctor for Ignace?" In my discussion with Dr. Copeman, I learned that they have not found one as yet, but they are still actively pursuing that possibility with a number of the 632 people. He is hopeful that they will have somebody to go to Ignace.

The member also asked about the economic development activities of the ministry and how we kept tab, if we did, on the number of job opportunities that would flow from the financial resources we have and where we put them in northern Ontario. The member is aware that under the management by results criterion laid down by the Management Board of Cabinet that requirement is there, although I have to admit we do not get into a detailed numbers game.

As an example, when we have \$50 million or \$60 million in a road construction program, while we do know there is a common formula for the number of jobs created in that construction period it is difficult to be exact. In our sewer and water projects, for which there are transfers to municipalities, it is also difficult to put down actual numbers.

11:10 a.m.

Last year, we funded something like seven subsidiary agreements with the Department of Regional Economic Expansion in northern Ontario. The newest one of these is the northern rural development subsidiary agreement for \$18.5 million.

Some groups in northern Ontario have approached me within the last year, emphasizing as strongly as they could that the efforts of the ministry to date have been too much oriented to economic development; in other words, that our thrust has been for the support of those programs and projects that would create jobs in northern Ontario, with a lack of interest by our ministry in the social field.

They are coming to us and saying very loudly and clearly that there are some very special and unique problems in the social field in northern Ontario that should be topped up, or sweetened up, I suppose I might say, in addition to what other ministries are doing.

As an example, the problems of the Kenora Children's Aid Society are very special and unique. The society is coming to us and saying it is caught within a formula for all of northern Ontario, while that society in Kenora covers such a vast area that it has very special problems relating to transportation costs and the number

of native children who come into its care. It feels it should be specially assisted. We have not gone that route; our emphasis has been in the economic development field.

How do you relate the significance of the number of jobs that would come from the Detour Lake road construction program? There is no question the number is significant, and those jobs are in place this year, this winter, when they are really needed. From that, we will see the development of the mine itself, and we will have anywhere from 500 to 700 job opportunities established.

I might say that my deputy minister, Mr. Herridge, is not with us this morning because he is in Kapuskasing with the Sherritt Gordon Mines people, along with the Treasurer (Mr. F. S. Miller) and the member for Cochrane North (Mr. Piché), to visit the phosphate site and to have some in-depth personal examination of the possibility of that particular facility coming on stream some time in the future. There was a high-level meeting in Kapuskasing this morning. I felt strongly that, in the interests of northeastern Ontario, he should be there.

On that point, I am pleased to have with me my assistant deputy minister, Mr. Bill Charlton, from Kenora. I believe this is Mr. Charlton's first opportunity to sit on the floor of the Legislature. We welcome him as a gentleman who is very knowledgeable about all the problems of northern Ontario.

Mr. Stokes: You should consider him to fill that very important post that is soon to become vacant.

Hon. Mr. Bernier: I will make sure Hansard picks that up.

Mr. T. P. Reid: He would not tear himself away from Minaki Lodge.

Hon. Mr. Bernier: He can't say a word. He loves that project so much. I know he wants to speak. Will I ask him?

Mr. Chairman, the member for Rainy River brought up a point with respect to the tripartite working group and the extension of the moratorium on wild rice. I am sure the member is aware that on June 26 the Minister of Natural Resources (Mr. Pope) did write to Robin Greene, the chief of Grand Council Treaty 3, declining to consider the request for an extension to the moratorium, since the commitment still has about two years to run. I have to share that sentiment at this point.

The member also asked what assistance we are giving to the Indian people. It is fair to say on

this point that we are waiting for them to come forward. There is a commitment to assist in this field, but I have to agree with the Minister of Natural Resources that it should not be extended indefinitely; I think five years is really sufficient time to—

Mr. T. P. Reid: But you know the harvest has been pretty poor in two of these three years. That doesn't give it a fair try.

Hon. Mr. Bernier: I know, but the harvest really has nothing to do with the plan or the strategy that they would put in place for their own benefit. To turn it around, should one have to stop the world while one studies and plans to get something in place? They would be the losers, because 90 per cent of the people involved in wild rice harvesting today are our native people, and if we keep stopping it and pushing it backwards it is never going to get off the ground. We are going to lose our competitive position if we let the Manitobas and the Minnesotas get ahead of us.

I think we have been more than reasonable, and I hope they become more aggressive. I have to say that some outside the band councils want to get on with the job of getting specific licences for themselves on specific lakes. In fact, the last time I was in Thunder Bay, where I meet a number of constituents from northwestern Ontario, one individual came from Armstrong.

The gentleman from Armstrong was most anxious to get a licence on a specific lake. He felt strongly that if he were given a licence on that lake, which is not licensed now, he could control the water levels, with some co-operation from the Ministry of Natural Resources, and have a viable operation in that area. The fellow is a native person. I do not think we should stop these kind of entrepreneurs while we study forever. I share the position of the Ministry of Natural Resources in that area.

I also want to point out to the honourable member, as he pointed out in his comments, that we are involved in some research at Lakehead University with the Ministry of Northern Affairs. We have Peter Lee, who in my opinion is a real expert in northern Ontario wild rice. He trained and studied under a professor at the University of Manitoba, and he has a life-long ambition of becoming the expert. I believe he has succeeded in doing that, with the co-operation of Lakehead University. He made submissions to us that attracted our attention and, as the member knows, we have given him a contract of up to five years for \$100,000.

Mr. T. P. Reid: Has he reported anything yet?

Hon. Mr. Bernier: No, he has not reported anything as yet. But we look forward to the results of his study.

Mr. Stokes: Will you lend the same degree of confidence to the study they did on forestry?

Hon. Mr. Bernier: At Lakehead University? It would be individuals who would be involved in that study, not the university.

Mr. Stokes: Very selective.

Hon. Mr. Bernier: A very selective group, yes.

The member for Lake Nipigon raised a question about the Sultan mini-hydel project, which had been under construction for some considerable time. I believe it is in the riding of Nickel Belt. In response to that inquiry, I wish to point out that the mini-hydel operation is in service at present. It went into service on November 10, and it is now supplying hydro-electric power to that community.

The system has run very smoothly since its startup time and supplies about 100 kilowatts of power to that community. It replaces the diesel units that had been placed there by Ontario Hydro. These units will remain in place to regulate and to provide any backup capacity that may be required.

I think the pilot program to which we have often referred is a success at this time. In fact, I encourage the honourable members from northern Ontario to make a point of going and seeing that facility. It is a neat, compact little operation, one that uses a very low head of water and has a capacity of 150 kilowatts. It serves the community of Sultan, which has a population of 340 and which is about 58 kilometres southeast of Chapleau. I am pleased to report to the House that it is on stream and working exceptionally well.

I hope this will be the start of projects and programs that we can implement in other parts of northern Ontario. We will be monitoring it very closely, with Ontario Hydro and with the Ministry of Energy, to gain as much factual and financial information as we can to encourage those people, of course, to expand into other areas right across northern Ontario.

11:20 a.m.

The member for Lake Nipigon also raised a very interesting proposal, that a road connection between Nakina and Savant Lake should be studied. The very efficient staff of the Ministry of Transportation and Communications, who work very closely with us on these policy planning programs, brought some figures to me

that I thought might be of interest to the members.

They point out that this road, if constructed, would serve three communities: Ferland, about 27 people; Collins, 105 people; and Allan Water, about 90 people. They estimate that the cost of construction in 1981 dollars—and this is just a rough estimate of a road to secondary highway standards going across that area—would be about \$76 million, and the annual maintenance cost would be about \$680,000.

I just thought I would give the member those figures to mull over. They are substantial. I do not know what the cost benefits would be with regard to tourism, forestry and mining; all that has to be looked into. But, just as a matter of interest, I wanted to assure the member that we did not let this suggestion die on the paper.

I am sure the member for Algoma would be interested in the Missinabi situation?

Mr. Wildman: Yes.

Hon. Mr. Bernier: I wish to report to him that there was a meeting on Tuesday, November 18, at which they established a new community structure. They have met with the manager of Renabie Mines. He has agreed to continue to supply chlorine to their water system and to heat the required parts of the system for the winter months.

The action committee has also agreed to move towards the establishment of a local services board. This is most encouraging because, as the member knows, he and we have tried on a number of occasions to bring these people together. Now that we have it in hand, it seems we can move forward. They are most anxious, of course, to look after the individual water requirements of the community. I think they are even looking at the possibility of establishing separate individual wells that will help them.

I think the persistence of the member for Algoma and our own persistence, as well as the co-operation we have received, have been most helpful; but a new group is in charge there, and although there was some nervousness and uncertainty, I guess, about the establishment of an LSB because of regulations and a few other things, I can report that we have it in hand and we are moving ahead with it.

I believe, Mr. Chairman, that pretty well concludes my replies to the members who made remarks on vote 702.

Mr. T. P. Reid: Mr. Chairman, the minister did not respond to my comments about agriculture and the potential for expanding the agricul-

tural base in northern Ontario.

While he is thinking of that, I want to make about four points. First, during the election—and the gentleman involved will know whereof I speak—I was at a Northwestern Ontario Municipal Association meeting, and certain officials of the Ministry of Northern Affairs were there to speak about Minaki Lodge.

I had intended to speak to the gentleman in question about what I considered his attitude and approach. Although I appreciate his enthusiasm for the project, this official came very close to stepping over the line between being a civil servant who is objective in serving the public interests and beating the drum for the Conservative government and some of its policies.

I hope the gentleman involved will keep that in mind, because I think he strayed just a little too far in that instance. I can say to him that if it happens again with anybody in his ministry, or anybody else, I will publicly point those things out. I might add that this is not just a personal, sensitive opinion of mine. It was shared by other people who mentioned it to me after that meeting.

To go back to wild rice in particular: I find a contradiction, as I usually do, in the minister's remark that we have funded a study at Lakehead University to the tune of \$100,000. The members have not seen, and I gather from the minister's remarks he has not seen, any study, interim report or research in that regard.

The minister indicates that this is a five-year study. I understood, and perhaps I am wrong, that the minister had set up this study in response to the requests of the native people of northwestern Ontario for assistance in the wild rice field and that this information was primarily for their benefit in growing, harvesting, genetics and all the rest of it.

He is telling us this morning that he and the Minister of Natural Resources are of the opinion that we should not extend the moratorium—and the minister throws in the words “in perpetuity,” which nobody has suggested—and yet he has said at the same time that the research, which one hopes will be invaluable if we are spending \$100,000 on it, is not going to be available until this moratorium runs out.

In other words, the information that could help develop a viable natural rice industry is not going to be available at the same time the moratorium finishes. We do not know what is going to happen from there.

The minister asked me, and I said sotto voce,

because he had his microphone on, “I am in favour of extending the moratorium on rice but I am not prepared to extend it in perpetuity.” I think there has to be some commitment and some valid evidence that the Indian people are making use of the resource and developing it. There is an onus on them to get their act together, so to speak, and to show that.

We have had two years of bad harvests out of the three. I do not think that gives a fair picture of what the Indian people are trying to do in regard to wild rice. I suggest the moratorium should be extended, not ad infinitum but for a few more years to give them an opportunity.

The other thing is that there are some questions about whether the assistance has been forthcoming as promised by the Minister of Natural Resources and the Minister of Northern Affairs. However, I did get some information from the former Provincial Secretary for Resources Development in regard to wild rice and the funds that have been extended.

One of the biggest problems with wild rice appears to be the marketing and distribution system, a problem that is somewhat different from the bad harvests we have had in two out of the three years. That is one of the real problems, and I do not know what assistance has been forthcoming from this ministry or the Ministry of Natural Resources in this regard.

As I recall, in response to my question yesterday, the words of the Minister of Natural Resources were almost exactly, “I have not decided to extend the moratorium, but I also have not decided not to extend it.” I got the message from the minister this morning that he and the Minister of Natural Resources have decided they are not going to extend it.

I really think it should be done. Perhaps there are some changes that can be made on both sides, but I think the five-year period, given the harvest and other startup problems, is insufficient time to give the people a chance to develop one of the few industries they can claim for their own, one in which they have some expertise.

11:30 a.m.

I want to go back to what the minister said about the management by results program. He mentioned, in a very loose and vague way, that they are keeping track of how many jobs were created in building the Detour Lake road and how many jobs were involved in some of the sewer and water projects. I do not mean to denigrate those programs, but they were in place and the funds were available, or would

have made available, for any of those kinds of developments in the past from the Ministry of Natural Resources or the Ministry of the Environment.

I go back to my old shell game and my point that those things would be done regardless of the involvement of the Ministry of Northern Affairs. If somebody has found a mine and it is economical, if they can make a buck at it, they are going to develop it. In terms of sewer and water systems in most municipalities, and I realize it is an essential building block for industrial development, those programs were in place through the Ministry of the Environment before the Ministry of Northern Affairs was set up.

What I want to know, and what I believe all my colleagues want to know, is this: Under the mandate that the ministry has for diversification of the economy of northern Ontario, what can the minister point at with pride to tell us where he has diversified the economy from the bloody existing and historical impact of keeping us in strict terms of being natural resource extractors in northern Ontario? Where is the diversification of secondary or tertiary manufacturing to give us that diversification, to get us away from that complete reliance on one-industry towns that we have.

It seems to me that one of the best programs I have heard of came from the northwestern chamber, of which we spoke briefly, in which they looked at market substitution for products that are used. Our whole history in this country has been one of resource extraction, starting with the cod in Newfoundland, moving across to forestry and so on. Some parts of the country, notably southern Ontario with its industrial base, are wholly dependent on natural resources, particularly those of northern Ontario.

With that exception, we are still the hewers of wood and drawers of water. The frontier thesis of Canadian economic development history still exists in that the frontier keeps being pushed back but it keeps providing the raw materials to the industrial part of the country. Those people who are on the frontier producing those resources find themselves the creators of most of the wealth of the province, and yet they receive the lowest marginal return in terms of social benefits, health benefits, economic benefits and, one can even say, stable economic conditions.

If this ministry is to have a *raison d'être*, it cannot be this peripheral attitude that says, "We will do something about the children's aid society over here and we will put a few more

bucks in this project," always working on the marginal issues that may or may not have much effect on the totality of the situation.

The minister seems to have avoided dealing with that central problem in his remarks. He is quite proud, and perhaps he well should be, of Detour Lake. He is also quite proud of some of the mill expansions that have been so heavily funded by this government. But I tell him again that his government is putting the cart before the horse; it gives money to pulp and paper companies to expand and modernize, yet the trees they rely on are dwindling so rapidly there is not going to be a resource base there for these new modern mills to find a stick of wood to put through. The logic of all of this really confounds me, it really does.

To go back, tell us please what you are doing in terms of providing diversification of the economy of northwestern Ontario, diversification that will get us away as much as possible—and I know there are no easy answers. I am not suggesting the government can or should do everything, but the focus of this government's policies does not seem to be on that kind of diversification, that kind of philosophical change of direction that says: "We are not just going to be resource extractors. We are going to provide something more." Under the program of mill modernization, for instance, we are going to lose a great number of jobs. That is inevitable, I suppose, whether the government gives the companies the money or the companies do it themselves. Preferably the companies should do it themselves, because until this year they have done fairly well.

But where is that change in direction and that impetus coming from this ministry to say, "All right, we are going to move in this direction"? Where are the figures from the minister on projects that can be perceived by the people of northern Ontario as changes in the thrust and direction of the government and the ministry? Driving south down the 401 here one sees plant after plant, small ones, employing five or six, 10 or 12 people. I know it's not easy but, my God, what a difference that would make in some of our communities. If we could get a few of those I am sure it would attract others. Can you tell us what you are doing about that? Can you tell us what you are going to do or are doing about agriculture as well?

Hon. Mr. Bernier: Mr. Chairman, I am pleased to listen to the honourable member. I have heard that speech on many occasions. He says I confound him. He just flabbergasts me

with some of his comments, about not being able to have it all ways. The honourable member is looking for some economic diversification, some economic activity. We tried to do something at Minaki Lodge. The member for Rainy River has been violently opposed to Minaki Lodge since day one because it is not in the Rainy River riding. He has never seen the significance of the benefit that will flow to his area.

Mr. T. P. Reid: That is not true at all.

Hon. Mr. Bernier: His people are in support of it. Go to Fort Frances and Rainy River and see the tourist operators there. They know the attraction that a major world class facility will have in northwestern Ontario.

Mr. T. P. Reid: Come now.

Hon. Mr. Bernier: It has happened already in his riding, because we are putting in an information centre right at Fort Frances, a direct spinoff—

Mr. T. P. Reid: Because of Minaki Lodge?

Hon. Mr. Bernier: Certainly the tourist focus is there, really it is there. It is going to cause a flow. Go to Em Lindmeier at Vermilion Bay and see what he is doing to his camp. He has said to me: "I know Minaki Lodge will bring a clientele to northwestern Ontario that we have never seen before. I want some of the spinoffs, and I am going to get the spinoffs." I believe in Minaki Lodge, as do all the tourist operators in northwestern Ontario. I take exception to your remark about a member of my staff supporting government policy to get along with Minaki Lodge, to get on with the project and to make it something we can and will all be proud of.

I was in this House when Ontario Place was being developed. I sat in my place as a backbencher and I heard the opposition wailing away day in and day out at Stanley Randall, the then Minister of Industry and Tourism, complaining about that big joke on the waterfront. It was a big joke. It was the biggest white elephant ever seen in the Toronto area. I bet today there is not one of you fellows on the other side of the House who does not use your Ontario Place pass. There is not one of you who has not had some visitors coming down from northern Ontario and to whom you recommend going to Ontario Place—and I know you add Ontario North Now to that.

The point I am trying to make—

Mr. T. P. Reid: Are you going to subsidize Minaki Lodge to the tune of \$1.5 million as we do Ontario Place?

11:40 a.m.

Hon. Mr. Bernier: Maybe we should. I make no apologies for that. If it is going to help northern Ontario, great. I make no apologies for doing things in northern Ontario. If they can do it down here they can do it up there. When I look around I see what is going on at the St. Lawrence Parks Commission, the St. Clair Parkway Commission, the Niagara Parks Commission, Sainte Marie Among the Hurons.

When we get a chance to do something in northwest Ontario, the member for Rainy River condemns us. It just confounds me.

Mr. T. P. Reid: I am not condemning doing something; I am condemning your priorities. If you spread that \$23 million over the tourist industry in northern Ontario, it would benefit everybody.

Hon. Mr. Bernier: Mr. Chairman, we have never had a focus in northwest Ontario for the tourist industry. Sure, go back over history—

Mr. T. P. Reid: What about Fort William? You said that was the focus—

Hon. Mr. Bernier: The member told us Old Fort William was a joke, it was a waste of money. But 125,000 people a year go through Old Fort William. It is a major attraction. Minaki Lodge will provide 200 jobs on a year-round basis to that area when it is in full operation.

He talks about jobs, about economic activity—

Mr. T. P. Reid: How much of a subsidy per job is that for what is going to be mostly seasonal work? Your priorities are all screwed up.

Hon. Mr. Bernier: No, we are very positive. The chairman of the Minaki board is enthused—as well he should be—because he has the responsibility to make that thing fly and to follow government policy. To say that he is politic, I take exception to that remark.

Mr. T. P. Reid: That is not just my opinion.

Hon. Mr. Bernier: I do not know when that meeting took place. I suppose they would like a new election campaign; that is the focus of the problem. Nevertheless, there is a growing feeling for that facility.

Look at the last two articles in the Toronto media, a complete reversal on the attitude here towards Minaki Lodge. It is because they have gone up and seen the potential of that facility. I look at that facility with a great deal of pride. It will provide a stimulus; it will be a catalyst for tourism in northwestern Ontario, something we have never seen before.

There was nothing happening in the Kenora area and the northwest for the last 25 to 30 years. The last thing that happened was the development of the Holiday Inn on the shore of Lake of the Woods, and that had some difficulty getting off the ground, as we well know. That is the last thing we have seen happen.

It is incumbent upon us to—

Mr. T. P. Reid: The only reason you are in it is because you got stuck with it.

Hon. Mr. Bernier: I do not deny it.

Mr. T. P. Reid: To save \$500,000, you spent \$23 million.

Hon. Mr. Bernier: I do not deny that. There was a shortage of capital. The capital was not there in the private sector to do it. I am just pleased that events went the way they did. I hope we can do something similar in the Fort Frances area to create some economic activity there.

In getting back to the wild rice study, the member talks about the extension of the moratorium; I think there is a difference of opinion here. I think we can do both things. We can satisfy the requirements of our native people, which are most important and should be first and foremost in our minds as they relate to this resource in northwestern Ontario. They have been involved up to this point and they must continue to be involved; there is no argument about that at all. But I do not think we should stop the world while we do research or set up a strategy or a plan of action.

One of the problems the honourable member made reference to was a fluctuation in the harvest. Certainly some of the research we are subsidizing today at Lakehead University will correct that problem. We hope it will, so that we have a guaranteed continuous supply of that gourmet product that is so popular, not only on the North American continent but now in European countries.

One of the problems has been the fluctuation of the harvest. One year we have a good harvest, the next year we do not. This year has not been all that bad, I have to admit. There is—

Interjection.

Hon. Mr. Bernier: It has gone down \$5 or \$6 a pound. It is a far cry from the \$18 or \$19 it was three or four years ago. I am told there is sufficient product now to meet the needs for the next year at that price. A fair amount of product is being processed at this time so there will certainly be no shortages. From what I am told, there will be no increase or acceleration in the

price. The research was just started in September. It is not something that has been in place for a long time. We will have an annual report from Peter Lee on the information he has received.

We can move ahead. We can satisfy the requirements of our native people and other people too. I have some sensitivity about looking solely after the requirements of our native people. There are non-natives up there too who are actively involved, who can promote and harvest that product and who can provide some economic activity for northwestern Ontario.

We are looking at a resource the whole spectrum of society can enjoy and be involved in while we separate the native requirements. We can do both in the next two years before the moratorium ends. To extend it would further drag out the situation and not get on with the job.

The member mentioned our involvement in agriculture. When he was out during the previous opportunity we had to debate the estimates, I believe I put on the record our involvement in the agricultural community, but I will repeat it.

In vote 702, we have agricultural development grants of \$600,000. These, again, are funds passed over to the Ministry of Agriculture and Food. With these extra funds, we can focus. That is the point the honourable member misses completely when he says these things would have been done anyway.

Coming out of another ministry, such as Natural Resources, I am aware there are other priorities in that ministry so that the north's needs do not really come up to the level of acceptance within the ministry. Consequently, those northern Ontario projects, in many instances, as the member has said many times in this Legislature, get put down at the bottom of the ladder or set aside for another year until more funds become available. That has happened time and time again.

Our responsibility is to work closely with those other ministries. Our field staff see priorities. We have 70 per cent of them in northern Ontario. They sense what is going on. The involvement in land clearing and the land drainage issue in Rainy River was one with which we were directly involved. Agriculture and Food could not get it moving to get it off the ground. I do not think there was the interest or the sincere effort on behalf of northern Ontario to do that, but we got involved and we responded. Now we have a program under the northern Ontario rural development agreement.

Just as an example, last year the amount of money that went into the riding of Rainy River included: education \$4,000; fertilizer \$43,000; seed assistance \$6,800; weed control \$1,600; other programs \$18,000. A total of \$74,923.12 went into the riding of Rainy River from this program. It is there and it is real.

We are there. We are not just sitting on the sidelines waiting for something to happen. We are making things happen, not only with our persuasion, our leaning and our contacts in other ministries, but we are making things happen with the budget we are voting on now. That is important. That is the key to it.

As all members on both sides of the House said when the ministry was formed, we cannot be just a co-ordinating ministry in an advocacy role, we have to have a budget to have some clout. We are using that in the best interests of getting things done in northern Ontario.

Mr. Stokes: I find it strange to hear two Conservatives standing here arguing about the focus, the thrust and all these almost obscene words that have been used by both the minister and the member for Rainy River.

Mr. T. P. Reid: On a point of privilege, Mr. Chairman: I have been called a lot of things but I do take exception to being called a Conservative.

Mr. Stokes: I have been listening to the member for the last 40 minutes and I do not know the point he is trying to make. He talked about this ministry's—

Mr. T. P. Reid: I thought I must have been repeating one of your old speeches.

11:50 a.m.

Mr. Stokes: The member for Rainy River has been saying that for the last 14 years. If he had done his homework and heard what the minister said in his absence with regard to whatever he was doing about the agricultural sector, the minister just repeated himself this morning. It was all said before as a result of something the member said earlier in these very estimates.

We have about an hour and eight minutes in these estimates. I would like to see us have a useful exchange concerning how we are going to spend this \$160 million in this fiscal year and what prospects there are for making better use and getting a bigger bang for the dollar we are spending in northern Ontario.

I find it very curious that the minister says, "All these initiatives we are taking in the north are being taken because we can do it better." He said nothing useful or productive has happened

in Kenora since they built the Holiday Inn on the shores of the Lake of the Woods 10 years ago. Here we are 10 years later and he is saying the future of the whole Kenora area will hinge on Minaki Lodge. The logic of that escapes me. To suggest to the member for Rainy River he is going to get some economic spinoff because the Ministry of Northern Affairs and the Ministry of Industry and Tourism are going to build an information kiosk around Fort Frances is really stretching it a little bit.

If the minister is going to build a series of Minaki Lodges—I heard one of the minister's colleagues talk about something that was going to happen around Sault Ste. Marie, something that is in the embryo stage—if the minister thinks the future of northwestern Ontario or all of northern Ontario is going to hinge on something as seasonal and iffy as the tourist industry he is just hiding his head in the sand.

On a per capita basis we have more resources that could be developed on the site for processing than any other place on the face of the earth. I hear the member for Rainy River talking about our providing seed money and giving an impetus to the pulp and paper industry, building roads into Detour Lake. He says, "If there is a buck to be made they will do it with or without you." I happen to subscribe to that philosophy, and I think the government does too. As a matter of fact, they are champions of the free enterprise system. Yet every time they spend any money in this ministry and any other ministry of government for economic development it is just a handout.

In the absence of any initiatives by private enterprise, the only way we will get rid of this complex we have in northern Ontario about being the hewers of wood and the drawers of water is to do it ourselves. The minister subscribes to that even though he chooses to think he does not.

I want the minister to explain the difference, if any, between what I am saying about real and substantial economic development and what he is doing with Minaki Lodge. I have been told that, at the bottom line, the cost will be in excess of \$30 million. The government is at best going to—

Mr. G. I. Miller: How many years have they been doing this?

Mr. Stokes: Yes. At best the government can only recover the operating costs from it. They can forget about the \$25 million or \$30 million they have spent or will spend on the lodge and the access to it. They think they will get about

100 jobs, some of them permanent, some not so permanent. If they took the total investment in Minaki Lodge and put it out at current interest rates they could say to those 100 people, "We have invested that \$25 million or \$30 million on your behalf with one of the banks, the Province of Ontario Savings Office." They could take the proceeds from it and distribute it to those people whom you are going to give 100 jobs to, and you would still have your capital investment.

I know that is not the way the system works. All I am saying is that in terms of getting the biggest bang for our buck, I do not think Minaki Lodge is the way to go. There is going to be some economic spinoff from it, but if you and the member for Rainy River and I had \$30 million to spend and we said, "How are we going to provide the greatest economic impact for any given area in northern Ontario," I am sure we would not have come up with a Minaki Lodge.

You talk about the wild rice. You know what the problem is with regard to wild rice? There would be an economic spinoff that could accrue to our first citizens if we had the co-operation of the Ministry of Natural Resources and the co-operation of Ontario Hydro about the fluctuation of water levels, because that is where it's at with regard to the production of wild rice. You will have a good year, a bumper crop, and the next year, if the water conditions are not ideal, you are not likely to get any.

If we had provided our first citizens with the opportunity for maximum harvesting, and I know some of them object to the mechanical harvesters for traditional reasons, but if we are going to be able to compete with the Ratuskis, and with the people who control the wild rice markets on the North American continent, the two major companies down in Minnesota that hold our people up to ransom—

Hon. Mr. Bernier: They have worked at it.

Mr. Stokes: You are darned right they have. They control the system.

Hon. Mr. Bernier: Free entrepreneurs, free enterprisers. It is open. Anybody can get off their butt and do it.

Mr. Stokes: You know what happened a year ago when they had built up huge inventories down in Minnesota, and they were mixing their rice with our premium wild rice, and shooting it out as Canadian rice. It was not Canadian rice at all, and you know it. All I am saying is, if we are going to maximize the economic benefit from the harvesting of wild rice to our first citizens we

must provide them with the technical expertise to maintain the harvest, to the greatest extent possible, on a constant basis.

Then we must give them the opportunity to process that rice. I do not know what the prices are on Lake of the Woods and Shoal Lake, but up in Osnaburg a year ago they were getting 45 cents to 50 cents a pound for wild rice—I was there—and you know what it costs.

Mr. T. P. Reid: It was selling in other places for \$5 or \$6 a pound.

Mr. Stokes: If you can get a pound of processed wild rice for \$5 or \$6 you take it—it is a bargain.

Mr. T. P. Reid: No, I mean raw, the Indians were getting \$5 or \$6 a pound.

Hon. Mr. Bernier: At \$6 a pound, how many pounds do you want?

Mr. Stokes: Processed rice?

Hon. Mr. Bernier: Yes.

Mr. Stokes: I will take 50 pounds of it.

Hon. Mr. Bernier: You got it.

Mr. Stokes: You know that in most of the outlets down here in Metropolitan Toronto, or anyplace else, if you can get it for \$8 or \$10 a pound it is considered a reasonable amount to pay. Compare that with what the Indians get for harvesting, the people who do all the work. If you want to play around and talk about wild rice just so you do not have to talk about economic development generally, you go ahead and do it. You know what the problem is with wild rice.

With regard to maximizing the quality and the sustained yield, have your professors at Lakehead University fool around with it, but you know what the problem is. The member for Rainy River knows what the problem is, and so do I. Your good friend Ben Ratuski at Shoal Lake will tell you what the problem is.

12 noon

I want to suggest to the minister if we are really going to get maximum benefit from the dollars that are being spent in this ministry we should be talking to the Northwestern Ontario Municipal Association. We should be talking to the Thunder Bay District Municipal League and we should be forming our own regional development councils, something I referred to in my opening remarks.

If we are going to get into the mainstream of things and be anything other than the hewers of wood and the drawers of water, we have to start identifying our strengths in northern Ontario, something we have not done for the last 10

years. We played around with it in a peripheral way with Design for Development and the net effect of the implementation of the Design for Development for northwestern Ontario has been a decrease in the number of jobs.

Any industrial spokesman in northwestern Ontario can tell you that, any municipal spokesman can tell you and any elected representative can tell you that. I know we need roads, I know we need assistance for infrastructure; but if this ministry is going to be the catalyst, it is going to have to be the advocate for an economic development strategy for northern Ontario. It is not going to come from these programs that were designed by the mandarins and the bureaucrats down here. That is why we need this Ministry of Northern Affairs. The minister knows where it's at.

We do not want more of what went on before; we want new initiatives. If this \$160 million we are spending now and the minister is asking for and we are going to pass in less than an hour, is going to have the desired economic impact, it is going to be because this ministry puts the thrust the minister so often speaks of, the focus that he so often speaks of, in meaningful economic development based on the resources that we have in such abundance and not just ship them out.

I was reading an article not too long ago about the new initiatives by the Department of Industry, Trade and Commerce at the federal level and the Department of Regional Economic Expansion. They had a full page ad in the *Globe and Mail* about a week ago indicating everything the federal government is doing to foster economic development.

The vast majority of all of those funds are used for resource extraction. They are used for discovering how to process the coal for gasification out in western Canada. There is such a tremendous market for it out on the Pacific rim—all the port facilities they are upgrading in Prince Rupert and Vancouver and all of those places are to provide an opportunity for other countries that are starved for resources to get Canadian resources.

We are subsidizing the transportation of all of these unprocessed resources to both coasts so that we can maximize the economic spinoff in places like Japan, Korea, western Europe, and all of those jurisdictions that do not have any resources. If Canada is ever going to come into its own in terms of a real industrial society where we can maximize the benefits of our resources for the people in this province and in

this country, it will give us the economic means to help the Third World. I think we should do it for moral reasons, but if they do not want to do it with that motivation in mind we should be doing it for selfish reasons.

In a technological sense, we are so far behind countries in western Europe, Japan, and in many respects the United States, that we are not going to capture markets from them. I do not see that happening. However, there is a tremendous market in the Third World, but the only way they are going to be able to help us is for us to help them in the first instance. Unless we build an industrial base in Canada, in northwestern and northeastern Ontario, and maximize the benefit as a result of the processing of our raw wealth; unless we can keep that here instead of spending \$650 million wherever Suncor chooses to operate; unless we put that kind of money towards the development, processing and maximization of economic spinoff in our own jurisdiction, we are not going to be in a position to help those less fortunate to develop their markets for the mutual benefit of everybody.

You can play around with economic development. The member for Rainy River can criticize this minister, and in the terms of which I have just spoken I think those criticisms are legitimate, but I just want to remind him that his own colleagues over in Ottawa are presiding over the demise of Ontario and Canada as a major economic force in the world community.

Both the federal level and the provincial level must realize that if private enterprise does not want to do it, the minister has to get involved, in the same way he found it necessary to get involved with Minaki Lodge and these other things he and his colleagues are talking about. It is not going to happen unless we want it to happen, and it is not going to happen unless we make it happen. I think the ball is in the minister's court.

Hon. Mr. Bernier: Mr. Chairman, if I may, I wish to respond briefly to the honourable member; I know time is running out, but I just want to make a point. The member referred to Minaki Lodge being the sole economic stimulus in the Kenora area. I think he is taking my comments out of context.

Mr. Stokes: You said that was all that had happened in 10 years.

Hon. Mr. Bernier: In the tourist industry nothing major has happened in the Kenora area except for the development of the Holiday Inn.

We have had expansions to the present facilities, there have been ongoing improvements to the tourist facilities, but there has never been any major focus.

The member says we should be getting involved; we should be creating an atmosphere of investment and an atmosphere that would attract the private sector or even more government money. We are doing that with Minaki Lodge, and we are being condemned for it. I just do not know where to jump. On the one hand, he says to move in; on the other hand, he says not to move in. It is very confusing.

Mr. T. P. Reid: It's a matter of how you spend the dough.

Hon. Mr. Bernier: Okay. We are putting up the capital dollars for Minaki Lodge. We are not going to run Minaki Lodge. We have said that from day one. We do not think government can do it. I am one of those who says, "If you want to do it inefficiently, let government operate it." It is something the private sector should be doing; so we have farmed it out. We have given a 20-year lease to Radisson Hotels from Minneapolis, a well-respected firm. They will operate it as a private operation. It will not be a haven for civil servants or anything like that.

Mr. Stokes: Everybody said Rod Carey was an excellent manager.

Hon. Mr. Bernier: He was?

Mr. T. P. Reid: Where is that court case, incidentally?

Hon. Mr. Bernier: I do not know where it stands, quite frankly. But I point to Hecla Island; the member for Lake Nipigon is very familiar with Hecla Island on Lake Winnipeg. It was established by the former NDP government under Ed Schreyer. That was ridiculed by the last administration, but they never sold it. Why? Because it is making money.

Hecla Island is accepted now and is making money. Everybody thinks it is a great thing. You do not hear any more about Hecla Island, this resort the Manitoba government established on Lake Winnipeg. It surprises me the member is not aware of that, but it is there, it is in place and it is providing a stimulus to the tourist industry in that area.

In connection with wild rice, I want to point out again that our research is moving ahead through Peter Lee and Lakehead University. One of the points in the agreement is that, as part of his overall studies, he will provide assistance or advice to anyone who wishes it. So

if there are some native groups in the members' areas who wish to contact him, he will provide all the assistance he can.

12:10 p.m.

In regard to the question of processing, I do not have to defend the fabulous accomplishments of the Ratuski family in Kenora. The member can criticize him all he wants. Sure, he is my campaign manager. He is one of the best campaign managers I have ever had. It is his free enterprise spirit. With his bucks—no government dollars—he developed a processing plant. Not only has he developed a plant, but also he has developed a product and sold it. He has not only sold it in the United States, but he has been in France and West Germany as well. He has done it on his own, with a free enterprise spirit. It is open to anybody. Anybody in this Legislature could set up a wild rice processing plant and compete with him any time. There are no restrictions; there are no controls.

Mr. Stokes: Including the native people?

Hon. Mr. Bernier: Certainly, if they wish.

Mr. Stokes: Be realistic.

Hon. Mr. Bernier: They can. There are no controls, no restrictions, no laws stopping anybody from setting up a processing plant anywhere, side by side, right next to Ratuski. There are no controls. Let them go out and sell the product as he has done. I am proud to defend what he has done for the wild rice industry in northwestern Ontario.

Mr. Stokes: I am saying, give us more of it; give us greater participation by our first citizens.

Hon. Mr. Bernier: Let them get involved. The door is wide open. Be our guests. The product is there. We are going to make sure the product is an ongoing one on a nonfluctuating basis so we can guarantee a product. It is there and our research will help make it happen.

We are on the right track, and I would encourage anybody. There is one in Emo, is there not? There is a small plant that wants to get off the ground and they are moving. I am hopeful that funds can be made available for them. There is no question about it because competition is the name of the game. I am not defending the price they pay. When I was in the grocery business in Hudson, we used to buy wild rice. It was a very competitive situation when we were buying it because there were buyers coming from Minneapolis, Minnesota and Winnipeg. Shorty Holden from Lac du Bonnet was a very big operator in our area for years.

The competition is there; there is no question about it. Leo Gaudry from Sioux Narrows used to go around with two- or three-ton trucks. There is competition. We have to encourage and maintain the competition dealing with that resource.

I share the concerns of the member for Lake Nipigon with respect to economic development and some greater involvement. I wish my budget was twice the size it is to create further economic activity. But in the four or five years we have been established, we have provided in excess of \$500 million worth of additional funds to northern Ontario through the Ministry of Northern Affairs and our budget.

I think we can all take pride that we have a special budget for northern Ontario, and I can assure the member that when I am around the table with my cabinet colleagues they get a little tired of hearing me beat the table for northern Ontario. I make no apologies for that. I will continue to do that and to press for increased budgets for this ministry as long as I am able to do it.

Mr. Wildman: Mr. Chairman, I want to echo and endorse the views expressed by the member for Lake Nipigon. If there is any major criticism that we in this party have had, as I recall I had as a former critic of this ministry, it is not about the dedication of the ministry to services and expanded government services to the north; it is that basically the whole philosophy or thrust of the ministry, as the minister tends to say, is towards more of the same, a ministry with an emphasis on government services and government involvement in the north but no new thrust towards economic development that is more lasting.

We have the same dependence on resource development, whether it be forestry, mining or tourism, that we have always had. We have had efforts by the ministry to put more money into greater infrastructure development for those industries, but little development with regard to diversifying the economy and bringing about manufacturing.

As far as I can see, the only real effort that has been made by this ministry is in the area of setting up industrial committees or economic development committees by municipalities or groups of municipalities. I know that Dr. Lupton in the northeastern Ontario region has been working with various committees and has been involved with providing money for consultant studies. This is doing a great job for the

consultants, as far as I can see; they seem to be able to find more and more consultants to carry out these studies.

What we have really been asking for in these estimates is some kind of indication from the minister as to what these studies have led to. What have we actually come up with? What has happened that we can point to and say that we have a business here or an industry there, based on the resource wealth we have, that is providing jobs or has a potential to provide a certain number of more jobs in small manufacturing and the processing of the resources? As far as we can see, that just has not happened.

I will not repeat all of the comments that were made by the other members who have spoken in this debate. Since we are running out of time, I want to respond quickly to a couple of things that were said by the minister in regard to my riding.

I want to take this opportunity to welcome the minister's comments about Missinabi. As he said, that has been a long, ongoing problem and one that has involved a great deal of effort by his staff, by me and people in the community to try to resolve. It is to be hoped that we are on the route to getting somewhere. I welcome the fact that here, in an unorganized community, we are actually going to have at least some assurance of a water supply for the winter.

If the minister does go the route of approving a local services board for that community, I want to find out whether we are actually going to be able to use the pipe that was bought a couple of years ago by the Ministry of Northern Affairs and is still piled up there.

In that regard, and specifically regarding local services boards, I understand the ministry held a seminar for secretary-treasurers of local services boards in Sudbury a week or two ago. At that seminar, the statement apparently was made that private donations in the community towards services provided by local services boards would not be eligible for the matching funding from the ministry. That statement was made by ministry officials.

I certainly did not understand that to be the case when we went through the debate on the local services boards legislation. If it is, I would like to find out what changes are going to be made.

Mr. T. P. Reid: On a point of order, Mr. Chairman: I do not think that comes under this vote at all.

Mr. Wildman: With respect, Mr. Chairman, it relates to what the minister responded to under this vote.

The Deputy Chairman: There has been a tremendous amount of license, I guess, because time is running out. If you can cover it, honourable member—

Mr. Wildman: I just ask that specific question, is that going to be changed? When we do get to the vote, I would also like to know how much money this ministry is actually providing for local services boards.

Specifically under this vote, I want to deal with the question of the minister's responsibilities as chairman of the northern Ontario resources transportation committee, which I believe comes under transportation development and resource development.

Mr. T. P. Reid: We are not on that vote yet.

Mr. Wildman: It's under vote 702.

The Deputy Chairman: We are including the whole within vote 702. Carry on, honourable member.

Mr. Wildman: Stay with us. I understand there were some questions raised by other members in this debate earlier about the resource access roads budget and how they—

The Deputy Chairman: I do not want to be hard on you, but vote 703 is primarily the whole transportation program. Why do we not just—

Mr. Wildman: No, vote 703 refers to northern roads, Mr. Chairman, and northern roads, as I understand it, refer to the work done by the Ministry of Transportation and Communications on the highways in northern Ontario. I would think the NORT committee comes under transportation development for economic development in northern Ontario. Is that not correct?

Hon. Mr. Bernier: Yes. No problem.

Mr. Wildman: There were questions raised earlier about the moneys made available for access to resources and why, when roads are built for access to resources that come close to communities, the ministry is unwilling—or unable, perhaps, is a better term to use—to extend them a couple of miles so they can serve people as well as resources.

12:20 p.m.

There was a meeting recently in Oba of representatives of the Ministry of Northern Affairs, the Ministry of Natural Resources, the Ministry of Transportation and Communications and a number of ministries that are involved in the northern Ontario resources transportation committee. Interestingly enough, they flew a number of people in from Toronto, Sault Ste. Marie and Sudbury, I believe, and

they came up to Hearst and then drove in to Oba. If they had spent the money it cost to fly them in there they might have been able to fix the road, but that is another matter.

That road serves the Nuago limits, I believe; if it were extended for another three, four or eight miles, it would serve Oba. Unfortunately, it does not seem to be in prospect, and the government does not seem to be able to do anything about it.

But, interestingly enough, in looking at this problem, I found that on August 26, 1975, the NORT committee approved funds for the road right within Oba, which, as far as I can see, quite honestly does not serve any resource; and that \$7,567 was spent for work on three quarters of a mile of road in Oba down to the river. It is beyond me how the NORT committee could fund that kind of expenditure and then refuse to fund access road into the community. I understand that the reason NORT gave for funding this was to give access to the river, which I suppose is a resource.

I want to know why this ministry cannot look at some developmental policy such that when it is funding resource access roads to make it possible for us to reach resources, whether they are forestry resources or mining resources, and when there are also people and communities in the area who need road access, the ministry would provide an additional expenditure of very little money to enable them to get access also. I want to know specifically in relation to Oba whether the ministry is prepared to repeat what it did in August 1975 and provide some funding through the NORT committee.

In regard to economic development as well, I want to know how much money is being spent this year by this ministry on the water and sewer infrastructure for various communities and how that relates specifically to economic development as opposed to the quite necessary and useful provision of water and sewers simply for the improvement of the lifestyle and the water sources of the communities already in existence.

I want to know what criteria are used, when a community obviously cannot afford to finance the project simply with the funds provided by the Ministry of the Environment, to determine whether additional funds will be provided from this ministry's budget over and above the moneys provided by the Ministry of the Environment.

Specifically, of course, I am interested in what is happening in White River and the application that has been made by that commu-

nity for assistance from this ministry over and above the federal and provincial funds that would normally come through the Ministry of the Environment. Will the \$777,000 necessary to get approval come from this ministry, and when can we expect it to come?

Finally, I wish to know in that regard whether the minister has been able to work out an agreement with Hornepayne on what is happening with the town centre there. At the last meeting we had, the municipality made a proposal for the provision of additional funds that might be coming from the Ministry of Northern Affairs to facilitate the agreement and to ensure there is no deficit to the community. Can those be applied to the water and sewer charges as was proposed? Has that agreement been worked out? I understand there is another meeting proposed for November 27. Will we be able to see that finalized in the near future?

Hon. Mr. Bernier: If I may respond to the member for Algoma, I appreciate his remarks with regard to new initiatives, new programs and new thrusts similar to those the member for Lake Nipigon has advocated.

The thought struck me that, as I move around northern Ontario as a minister of this government, if I were to go around advocating a new economic package, saying we were going to spend X millions of dollars on such and such a project, I know I would be confronted by not only the members sitting opposite but also the municipal leaders. They have told me many times not to come up with any new, fancy, high-gloss programs, packages or thrusts. They say: "We have so many other things we need today. We need to get those things straightened out that we have been pressing for so long." I refer to the sewer and water projects—

Mr. Stokes: Do you mean you've actually got municipal leaders telling you that?

Hon. Mr. Bernier: Yes. Oh, yes.

Mr. Stokes: That's not what I hear.

Hon. Mr. Bernier: Fort Frances is a good example. Its people say: "Look, our priorities are a standpipe and improvements to our water system. Those are our priorities. Do not muddy the waters with anything else." If I went to Schreiber and took the honourable member's advice on Schreiber, and said, "We are going to do something here for economic activity in Schreiber," the first reaction would be: "We've got no water system. Come on. Don't put the money there. Fix our water system up. That

comes first. Then we will attract some industry to our community or we can build from there. But do the basic and essential things."

Mr. Stokes: Nobody has ever criticized you for the infrastructure work you've done.

Hon. Mr. Bernier: I know they do not criticize me, but those are the priorities they set. Those were the priorities of the town of Keewatin: "Spend the money you've got, first, in getting us the basic essential services southern Ontario has, and then we will start building up from there." That is what we are doing in a number of areas right across the northern part of this province. I appreciate the support I am getting from the northern members on that thrust.

With respect to Missinabi, I hope we can establish a local services board relatively soon to assist it in its problems, particularly with water. I can assure the honourable member that the pipe we purchased some time ago to assist that community will be there to use, if it so wishes.

If the member for Algoma goes back to Hansard, I am sure he will see we debated the question of bequests and donations to some extent in this House. I think there was a question by the former member for Nipissing, Mr. Bolan—

Mr. Wildman: But how are taxes different from user fees?

Hon. Mr. Bernier: From what?

Mr. Wildman: User fees—if a group of people get together in a community for fire protection purposes, isn't that a user fee?

Hon. Mr. Bernier: If I recall correctly, the community wanted some control. I guess if everybody paid \$25 each—call it a donation if you want—that would be a user fee. If one guy gave \$100 and another gave \$2, I think you would have to call that a donation. The thing is, it has to go through channels. One of the problems we would have would be that it would be difficult to control financially. As an example, look at what happened in Manitouwadge, I believe it was, where there was a big donation from one of the mining companies; a substantial amount of money went in. We would have difficulty finding matching funds for that situation.

We agreed we would stick to fund-raising events or a piggyback on the provincial land tax where we could actually see the community becoming involved in it in the first instance. I have always said that if we could come up with some improvements to the Local Services Boards

Act, I would be glad to bring in amendments to it. It has been in effect now for about a year and a half, and it seems to be working. We have about 16 or 20 communities now under the LSB, and something like 21 or 22 on application.

The member requested that I look at the Oba situation. I am prepared to do that.

In regard to his comments with respect to the assistance from the northern Ontario resources transportation committee, I think that was given when NORT was with the Ministry of Natural Resources back in 1975. Certainly I will follow that through to see if there is some way we can come up to their needs, because I understand they are very real.

12:30 p.m.

The member has just sent me a note saying he has to leave because his airplane is leaving for Wawa shortly.

In connection with how we establish priorities for assistance with regard to sewer and water projects, as the members know, we work closely with the Ministry of the Environment. They do a management by results assessment on each community as to its specific needs in relation to health hazards, fire protection and the development that may occur and give it a rating. That rating on their particular formula indicates how they stack up on a priority basis for funding from them, because that is the line ministry.

We stand back and look at the community from another point of view as to what it can carry in addition to the contribution that would come from the Ministry of the Environment or the Ministry of Northern Affairs to make sure the taxes paid by the home owner in Ignace, for example, are comparable to what they pay in Sioux Lookout, Geraldton or Hearst. We think they should be carrying their fair share of the load.

Once we have established that and they have reached the maximum—

Hon. Mr. McCaffrey: Refunds.

Hon. Mr. Bernier: No, no refunds. Once they reach a certain level that has been established as a payment level for home owners, we can adjust our assistance accordingly and we do.

I want to say to the member for Algoma that we are working very closely with Hallmark Hotels and Canadian National with respect to that \$12-million town hall centre in Hornepayne. We have had numerous meetings. He has been very helpful in a number of them in trying to

work out the differences between the town council and Hallmark Hotels, which is the landlord.

I am told the leases are nearing finalization and it is hoped that they will be signed before the end of the year. This will see a number of the leases completed as they relate to the public facilities. I have just been told that the next meeting is in Sault Ste. Marie on November 27 to discuss, and it is hoped to finalize, the latest proposals as they relate to the leases, et cetera. I am sure the member will be pleased to learn we are moving ahead with that project.

Some members may not be totally familiar with the Hornepayne project. It is really different. It was one of those rare projects where eight or 10 provincial ministries got together with the private sector, CN and the developer, to develop a major town hall centre, the extent of which is surprising when one goes to Hornepayne. I do not know if the member has seen it, but it is massive. It is huge and is a complex we will watch with some interest.

The former Treasurer, Darcy McKeough, was most interested in having a pilot complex in northern Ontario that we could monitor and look at to see if we could duplicate it in some other place in northern Ontario. It is all-encompassing, I must admit. I know it will serve the community, CN, the provincial government and some federal authorities well. It is in place, and I hope we will all go up there to join in the official opening in the not-too-distant future.

Mr. T. P. Reid: Since NORT came up under this vote, Mr. Chairman, I wrote the minister a letter some time ago about the Bending Lake road and whether under NORT the ministry would be maintaining that winter road, which is used by a great number of people, including Ontario Hydro. There are a number of mining companies that will be using it for exploration. There are a number of cottage owners in the area. There is a tourist camp, and Hydro uses that road as well. Has the minister or his ministry decided whether to keep it snowploughed and graded during the winter?

Hon. Mr. Bernier: Mr. Chairman, I did have some discussion with the staff on that issue and, if my memory serves me correctly, I believe we did it last year on a one-shot basis. I do not know whether a decision has been reached with regard to this year's snowplowing requirements, but they pointed out to me that next year the contract should be up to that point to assist the local forest industry to harvest some timber resources in that area, then it would be their

responsibility. I will look at it to see whether they may need another year of assistance for snowploughing until the forest industries move into that area.

Mr. Stokes: We are finishing at one o'clock. We should cover anything we have not covered and then pass the entire estimate.

I wish to elaborate a little. In all fairness to the minister, he could not have been hearing what I was saying because nobody was being critical of the access the minister is providing for resources. Nobody was critical of infrastructure money dedicated to that use in this set of estimates. He talked about needing a focus. He wants something he can get his teeth into. I will give you a few of those dealing specifically with something near and dear to the heart of the minister, to mine and to the people we represent; that has to do with the maximization of the benefit of commercial fishing.

We are in trouble on Lake Nipigon. As you well know, we have not fully recovered from the lamprey eel situation in the Great Lakes. Design for Development, stages one, two and three of the strategic land-use plan, outlines the potential benefit from further exploitation of our natural resources. On the commercial fishery component on inland lakes, there is the potential to at least double, and in some areas triple, the harvesting of that resource.

We attended a meeting of the Windigo tribal council group in your riding last January. They explained the problems they were having. The Kayahna council group is in the same predicament. I will not go into all the problems they have had—logistical, administrative and otherwise.

I remind the minister we have initiated this parcel post shipment for groceries into those communities. This will have the effect of reducing the cost per pound for freight going into those communities from 71 cents a pound—as is the case from Pickle Lake to Kasabonika—and 34 or 35 cents a pounds from Pickle Lake to some of the other communities, down to 13 or 14 cents a pound.

I was flying around there this summer with some of the air carriers and meeting with the storekeepers and band chiefs and councils. I would like to see the Ministry of Northern Affairs act as a catalyst in negotiations with the councils, the commercial fishermen, storekeepers and small free traders and entrepreneurs and with the air carriers, so that when they take in these shipments of groceries at the parcel post rate the activities of the commercial fishermen

are co-ordinated so that those air carriers will get a load back out. With this unplanned, unco-ordinated way of doing things now they take in a load of groceries or supplies and go out empty. All of that costs money. Then they get a call, by telephone or radio, from a group of commercial fishermen saying, "We have 2,000 or 3,000 pounds of pickerel here, and if you don't get them out in 12 hours, they will rot on the dock."

12:40 p.m.

The last time I spoke about the economic benefit accruing to the fishermen as a result of this method of doing business, they were being paid 94 cents a pound for grade A pickerel, delivered to the Freshwater Fish Marketing Corporation in Winnipeg. Out of that 94 cents a pound, 31 cents was for shipment to a processing plant, or someplace where they could put ice to it, whether it was Pickle Lake or Red Lake.

The native people in the north would be better off if they just forgot about commercial fishing. It would not cost them anything for boats. It would not cost them anything for motors. It would not cost them anything for skidoos. On an economic basis, they would be better off to sit and take welfare. You do not want that to happen, I do not want that to happen, the native people do not want that to happen; but we have a system now where it is actually costing them money to fish.

Do members know what it costs for a pound of pickerel fillet in Thunder Bay, Winnipeg or downtown Toronto? They should go to their neighbourhood fish market, and if they can get pickerel fillets for any less than \$4 or \$5 a pound take them, because it is a good buy.

These are the kinds of things the ministry could get at in a market survey. If they sit down and talk to all of the players in the scheme, I am sure the ministry and others they talk to have the wit and the wisdom to make sure our first citizens get more than 61 cents a pound for the best quality, and the best species, of fish you have ever eaten.

Another area the ministry can get into is maximizing the economic spinoff as a result of our trappers' activities. In northern Ontario, a trapper goes down to the Bay store and will run up a bill anywhere from \$500 to \$1,000, a grubstake for the wherewithal to sustain himself when he is out on a trapline anywhere from four to eight weeks. Hudson Bay or the fur trader will carry it.

He comes back in with his load of fur, after whatever time he has been out there, pays the

bill for the grubstake advanced to him and buys the wherewithal to keep himself going for another period of time. He may or may not get something close to the value of that fur, in comparison with what he would get if he sent it down to the fur auction in North Bay.

The minister can assist, where necessary. I know he is going to say, "We have taken an initiative. We are trying to see if we cannot improve the economic spinoff." I think he has something going in Sandy Lake. That is fine and dandy. If it is working, great; but I think we have the expertise, marketing and the imagination to make it possible to set up a program where we can maximize the benefit to our first citizens in the harvesting of a resource that is indigenous to that area in much the same way as I suggested a little earlier with regard to commercial fishing.

Another area the minister can get into is identifying and assisting small entrepreneurs up there to get into product substitution. He can go into any store, whether it is a supermarket, a gift shop or any kind of retail outlet, and he can see the number of items on those shelves for sale made out of wood. If he turns them over and looks at them he sees they were made in Hong Kong or Taiwan or the Honduras—almost any place but Ontario. Even rolling pins, toothpicks, the cores we wrap the paper on—take a look at them and if the label is not on them, ask somebody who purchased them, or used them, where they were made. Chances are it was not made in Ontario at all.

You cannot go into a retail outlet today and not see something made out of wood: a gift item, a bowl, ladles—you name it, they are all there. Just take a couple of hours off and go into the stores along Yonge Street, see the number of items that are made out of wood, and just ask yourself why we cannot do it equally well here in Ontario.

Those are the kinds of initiatives this ministry can take. It is not going to cost a lot of money, but the ministry could act as the co-ordinator, the catalyst, the advocate, and it could provide the thrust and focus.

Another area, I think, is the development of indigenous energy resources. We have heard a lot about biomass, about peat, about resources indigenous to this area, that we could use in the oil substitution programs. We have heard it said here for months, particularly during the last month, that our peat resources are a tremendous storehouse of wealth.

We know what is going on with regard to the gasification of biomass to provide yet another

oil substitution program. There are so many areas—and we have already discussed one: a pilot project for the utilization of peat in an area where it is costing Ontario Hydro more than 40 cents a kilowatt hour to generate electric energy by the use of diesel fuel oil. I do not know what is paid down here for it—four or five cents.

Go up to Armstrong. Talk to the Kayahna people. We have already done that. The ministry has provided an amount of money that was matched from federal funds. I was accused by the honourable member who is sitting to the minister's left of orchestrating something or engineering something or contriving something. Let us hope the money the ministry has dedicated to this purpose gives those people some economic benefit. They wanted to look at wind energy, at unutilized hydraulic energy, at the use of biomass, at the use of peat moss.

You must understand that any place which is not hooked up to the transmission grid of Ontario Hydro is paying the tremendous cost of generating electricity—something we take for granted down here, something we demand as a right. In those northern communities you pay this cost whether you are running a little furniture shop, as they are attempting to do in Big Trout Lake, or whether you are running a coffee shop where, just to keep something from going rotten, you have to have something as ordinary as a refrigerator.

When you find out what it costs just to generate the power to keep fresh produce for any more than 18 or 24 hours you know how basic it is. I do not have to convince you. All I am saying is that these are the kinds of things the ministry can do for those people north of the fiftieth parallel, and the ministry will be applauded for it.

With regard to commercial fishing, trapping, new product development, the development of indigenous potential energy resources: in that field the ministry is limited only by its imagination. These are only the things that came to my mind in the last 15 to 20 minutes while the minister was talking to the honourable member for Rainy River and the honourable member for Algoma.

We are not criticizing the amount of money that is being spent on infrastructure; we are not criticizing—at least I am not—the amount of money the ministry is spending on access, the leg up when it is absolutely essential. I believe in a mixed economy. I do not think government can do everything best, nor do I think free enterprise can do everything best—nor are they

willing to try anything, because the bottom line for a free-enterpriser is "How much money am I going to make?" That is a consideration if you are going to go it on your own.

We know if we are ever going to bring northern Ontario into the economic mainstream it has to be with that mixed approach, and it is something I subscribe to and I applaud.

12:50 p.m.

Since I was being critical before of the way in which money was being spent, and we just used Minaki Lodge as an example, I thought I had a responsibility to tell you what other initiatives we could take that would meaningfully assist those people in the far north who are less fortunate. If you do that, it will be a worthwhile activity by this ministry and it is something that will be applauded by everybody who cares to find out what it is you people are all about.

Hon. Mr. Bernier: I will respond briefly to some of the points. I appreciate the members' contributions. It is satisfying to have two critics who are extremely knowledgeable about northern Ontario. I look back to last year when we had the member for North Bay who was my critic. Some of the comments were a little painful. I certainly appreciate your sensitivity and knowledge about the problems, through which we share a lot.

I am familiar with the problems associated with the commercial fishing industry. You are well aware of the assistance we gave the Windego group with the establishment of that plant at Windego Lake. It is going very well, so well that the Pehtabun group met me last week and they are hearing of all the great things that are happening in the Round Lake, Windego area. They want to have a study of their operation to see if they can apply that in the Pehtabun area.

We went one step further and we now have a representative from the Freshwater Fish Marketing Corporation solely for northwestern Ontario. He has been recently appointed. He will be moving around, working much more closely with the native bands than they have in the past.

We have also assisted in what we hope will some day be a permanent facility at Red Lake. There was some problem in getting some financial resources. We went in with \$30,000. I think Natural Resources went in with \$30,000 and the Department of Indian Affairs and Northern Development with \$30,000. I hope we will establish a \$90,000 plant at Red Lake.

With regard to the problems of parcel post, I have already written the new president of the corporation, Michael Warren. I have asked him to meet with me or if that is not possible—

Mr. Stokes: I did that six months ago, just so he would know what the name of the game was before he took over his responsibilities.

Hon. Mr. Bernier: He only took over on September 1. I know I outlined to him our cost-of-living study that we are doing now in northern Ontario and made him familiar with it. I have not had a response from him as yet, but we have done that and taken that initiative.

As the member knows, with regard to the pricing of commercial fishing, we have the freight equalization program. This year, in this budget, you are approving \$40,000 to be added to the \$160,000 that MNR has for that equalization program. They were a little strapped for funds so we sweetened the pot by \$40,000.

Mr. Stokes: Is that for all species?

Hon. Mr. Bernier: It is for all species. It varies on an escalating basis. The further one is away from the receiving depot the higher it is. The maximum amount of freight equalization they can receive is 30 cents a pound. Sachigo is receiving 30 cents a pound. That is a benefit to them.

As the member correctly pointed out, we have two buyers. We are paying the transportation and expenses of two fur buyers to go to Sandy Lake, I think it is just before Christmas. The trappers were complaining, as the member will recall when he was with me on that trip, they had to send their product out to North Bay. They got 50 per cent back and there was always that delay.

They felt if the buyers came to Sandy Lake, looked at their product, gave them the price and made it clean, neat and fast, I guess in this high interest period it would be beneficial. We have subsidized two of those fur buyers on a trial basis to see if it would work out and be of some benefit to our trappers in that area.

The Ministry of Correctional Services has done a yeoman's job in my opinion in using the local offenders under a community service order at Attawapiskat. I was up there this summer and it was enlightening to see a huge garden being developed in a northern reservation. It is something I have never seen in all the times I have travelled throughout the remote areas of northern Ontario. I saw literally acres and acres of land under cultivation. It was done

through the Ministry of Correctional Services using local offenders. They tell me it is very successful.

Mr. T. P. Reid: Give me a couple of minutes.

Hon. Mr. Bernier: Okay, I will wind up right there. But I do want to thank the member for his contribution.

Mr. T. P. Reid: I would just like to ask about three things under vote 703, northern roads. One is a plea that you do something about Highway 621 to Morson, from the main highway up to Lake of the Woods. There is a large tourist area there. That road needs reconstruction and has needed it for some time.

Mr. Stokes: Put Highway 527 down while you are at it.

Mr. T. P. Reid: Also, I presume the rail and ferry services are just a subsidy to that program, but I was told this summer that somebody had taken the Chief Commanda II, which I believe falls under your jurisdiction. They ordered a Northern Ale beer, which is brewed in northern Ontario. They were told they did not stock it on the ship and did not have any. It seems to me that is the kind of thing we should be looking at. We should make sure those products that are

produced in the north are at least used on the transportation system of northern Ontario.

The last thing, given the time, that I would like to bring to your attention—and I have written your deputy minister—is the requirement for an expansion of the Nestor Falls airport. This was raised at a camp owners' association meeting a couple of weeks ago and there seemed to be some confusion as to exactly what was holding up the process. I understand there is somebody in a cabin at the end of the runway which might affect landing patterns but it seems to have dragged on for some time.

Hon. Mr. Bernier: I think I will just reserve any comment and answer the member's questions in the form of a letter.

The Deputy Chairman: We have to take a few votes.

Votes 702 to 704, inclusive, agreed to.

Supplementary estimates agreed to.

The Deputy Chairman: This completes the estimates of the Ministry of Northern Affairs.

On motion by Hon. Mr. Wells, the committee of supply reported certain resolutions.

The House adjourned at 12:59 p.m.

APPENDIX

ANSWERS TO QUESTIONS ON NOTICE PAPER

URBAN TRANSPORTATION DEVELOPMENT CORPORATION

175. Mr. Cunningham: (1) Will the minister table the travel and entertainment budgets for the Urban Transportation Development Corporation and subs for the years 1976 to present? (2) Will the minister table the number of employees for the UTDC and its subs for the years 1975 to present? (3) Can the minister advise the cost of houses purchased by the UTDC or its subs in Washington and Miami? (4) Will the minister table the salaries and benefits of the senior executives of the UTDC and its subs? (5) Can the minister advise the House of the total details of cost overruns of the CLRV program for the TTC? (6) Will the minister table the costs associated with all transit bids by the UTDC? (Tabled October 23, 1981.)

Hon. Mr. Snow: (1) The information is only available from the company's accounts as a travel and living category. This includes the expenditures of engineering personnel, marketing personnel and administrative personnel in all activities in which they would have had any travel or accommodation expenditures.

It will include travel and living costs related to engineering and production activities such as quality control inspections at Thunder Bay, travel to and from Kingston and Toronto, and travel to and from Kingston and Montreal, with respect to subcontracts with Canadair and other suppliers. It also includes travel and living related to performing all the contracts such as the work in Brazil and San Francisco.

1976, \$311,000; 1977, \$659,000; 1978, \$657,000; 1979, \$554,000; 1980, \$832,000; 1981 (to September 30) \$855,000.

(2) The number of employees for the UTDC and its subs for the years 1975 to present:

	UTDC	MCL	UTDC R&D	UTDC (USA)	TOTAL
1974	60	—	—	—	60
1975	149	—	—	—	149
1976	132	—	—	—	132
1977	153	—	—	—	153
1978	158	—	—	—	158
1979	159	—	—	—	159
1980	215	93	—	4	312
1981*	20	301	49	6	376

*To October 31, 1981.

(3) The corporation advises that no homes or living accommodation have been purchased by UTDC or any of its subsidiaries in Washington or Miami at any time.

(4) The salaries and benefits of senior executives of UTDC and its subsidiaries have been, and will continue to be, confidential matters determined by the board of directors of the corporation. The overall amounts of salaries will be reported in their annual reports in conformance with the corporate policy as enforced by the directors of the corporation.

(5) The CLRV program is governed by a contract between UTDC and the Toronto Transit Commission. The contract outlines base pricing plus a number of variable elements. As a result of the pricing formulas, the contract is largely a firm price contract and therefore does not contemplate overruns. UTDC's financial results are reported on an annual basis and incorporate cost transfers between themselves and their subcontractors. The subcontractors are responsible for component delivery and prices attached to them, warranty work and any design modifications. To our knowledge, there are no cost overruns for the CLRV program for the TTC. Any cost changes for the TTC will be as a result of change proposals brought forward from the TTC at their request; one such change is the modified paint scheme requested by TTC.

(6) The cost categories available from within the corporate accounts show bids for the years 1978, 1979 and 1980 and relate to all costs associated with these transit projects. This includes engineering support such as costs of doing design work for the tunnel section in the Vancouver proposal and undertaking design work for Detroit, Scarborough and other programs of the research and development corporation.

It also includes all in-house engineering costs and other costs such as legal fees, negotiating costs, any expenses related to subcontractor

information specifically required for bids, and negotiations and legal services related to providing bonding and insurance programs.

1979, \$350,000; 1980, \$949,000; 1981 (to September 1981), \$790,000. (Includes all costs for proposals and is net of recovery of precontract cost from Vancouver.)

ROYAL COMMISSION ON THE NORTHERN ENVIRONMENT

185. Mr. Stokes: Will the Minister of the Environment table the following information concerning the Royal Commission on the Northern Environment? (1) How much money has been spent to date? (2) How has this money been expended? (3) How many people are employed in Toronto, Timmins and Thunder Bay? (4) Has the commission made representations to the Ministry of Natural Resources concerning WPLUP and NWOSLUP? (5) Did the royal commission have any say in DREE-Ontario agreements on access roads? (6) What input has the royal commission had into the decision concerning Detour Lake gold property? (7) What evidence is there that the royal commission has had any effect on government policy or has caused a moratorium to be placed on major decisions until they have come forward with at least an interim report? (Tabled October 29, 1981.)

Hon. Mr. Norton: (1) \$5,608,997.

(2) See table below.

(3) Toronto, seven; Timmins, two; Thunder Bay, 11.

(4) Yes. The RCNE maintains a continuous and close liaison with MNR through meetings with senior MNR officials. The RCNE continues to monitor MNR planning and public program undertakings near and north of 50 degrees, with particular focus on the West Patricia land-use planning process and attends all WPLUP interministerial steering committee meetings. The West Patricia land-use plan is a designated undertaking under the Environmental Assessment Act. It is the RCNE's procedure to let the environmental assessment process set out by the act take its full course. The RCNE is continuing its review and assessment of the West Patricia planning process with the MNR proposals as the focal point of the review. The strategic land-use planning process in the northwest forms an integral part of the commission's investigation of the West Patricia land-use planning process.

(5) No. However, the RCNE is currently

engaged in an in-depth examination of the impacts of the proposal Ogoki Road in co-operation with the native community of Fort Hope as part of the commission's evaluation and assessment of the impacts of access roads on the human and natural environment near and north of 50.

(6) The RCNE has approached the Detour Lake mineral resource developments as part of its responsibility to evaluate the application of the Environmental Assessment Act. Necessarily, the commission has chosen to focus upon the Detour Lake access road which, unlike the mine development itself, was designed for review under the Environmental Assessment Act. Although the Detour Lake access road was later

	1977-78	1978-79	1979-80	1980-81	1981-82*	Total
	\$	\$	\$	\$	\$	\$
Salaries and wages	373,961	396,441	501,484	551,820	283,322	2,107,029
Employee benefits	16,966	21,562	34,998	32,644	36,574	142,744
Travelling expenses	76,872	55,069	97,269	122,258	73,407	424,875
Materials, supplies, etc.	741,647	614,459	295,673	375,943	90,858	1,504,121
Public interest subsidies	266,910		205,345	207,303	136,211	815,769
Total	1,476,356	1,087,532	1,134,769	1,289,968	620,372	5,608,997

INCO EMISSIONS

188. Mr. Kerrio: Would the Minister of the Environment provide data of daily emissions of SO₂ from Inco's Copper Cliff complex and from Inco's iron ore recovery plant (in Copper Cliff) for the period July 1, 1981, to October 31, 1981? (Tabled November 3, 1981.)

Hon. Mr. Norton: The daily SO₂ emissions from Inco's Copper Cliff smelter complex and from Inco's iron ore recovery plant complex are required (by the ministry's control order and regulation) to be reported quarterly for the period ending on September 30, 1981. For the period July 1, 1981, to September 30, 1981, the SO₂ emissions from the smelter complex were 1983 short tons per working day, whereas the emissions from the iron ore recovery plant complex were 252 short tons per working day.

SALES OF LIQUOR

189. Mr. Wildman: Could the Minister of Consumer and Commercial Relations provide the total sales figures for each of the liquor control board's retail liquor stores in Iron Bridge, Bruce Mines, Echo Bay, Goulais River

exempted from environmental assessment and review under the act, the commission has continued its examination of the assessment process. The commission's report on the Detour Lake road will be released before the end of this year.

(7) Until the RCNE presents its final report and recommendations to government, it would be premature to attempt any measurement of the effects of the RCNE on government policy. Certainly, the establishment of this commission is recognition by the government that investigations into the effect of major enterprises on the people and the environment of the north are desirable to assist government in determining policy.

and Batchawana for the years 1977, 1978, 1979, 1980 and 1981. (Tabled November 3, 1981.)

Hon. Mr. Walker: Sales analysis for fiscal years ending March 31:

Iron Bridge, store 487: 1977, \$222,906.32; 1978, \$247,295.95; 1979, \$252,692.60; 1980, \$273,980.05; 1981, \$306,186.10.

Bruce Mines, store 421: 1977, \$334,553.28; 1978, \$361,868.50; 1979, \$389,097.25; 1980, \$413,072.80; 1981, \$453,709.15.

Echo Bay, store 519: 1977, \$293,952.03; 1978, \$305,701.42; 1979, \$303,424.05; 1980, \$349,002.35; 1981, \$412,051.95.

Goulais River, store 473: 1977, \$267,363.06; 1978, \$560,272; 1979, \$629,872.35; 1980, \$735,611.15; 1981, \$817,650.55.

Batchawana, store 334: 1977, \$79,806.09; 1978, \$70,625.96; 1979, \$71,177.80; 1980, \$71,764.10; 1981, \$79,665.90.

HUDAC WARRANTIES

190. Mr. Van Horne: Will the Minister of Consumer and Commercial Relations investigate the criticism that HUDAC is deliberately trying to limit access to the HUDAC warranty

funds through too stringent a definition of major structural defect? Why have 430 out of 483 claims in this category not been paid as of August 31, 1980? How many of these 430 claims have been paid between August 31, 1980 and October 31, 1981? Is the minister considering disbanding HUDAC due to its ineffectiveness in protecting consumers in Ontario? (Tabled November 3, 1981.)

Hon. Mr. Walker: There is no attempt on the part of HUDAC new home warranty program to limit its responsibility for the correction of major structural defects. I am advised that the warranty program has received 420 major structural defect complaints since its inception. Of this number, 81 have resulted in payments or are currently in process. The remainder were determined not to be major structural defects.

SULTAN PROJECT

221. Mr. Laughren: Will the Minister of Energy advise the House of the original estimated total cost of the hydraulic power dam being built in Sultan, Ontario? What is the latest estimated cost of the project, how many families will it serve and what will be the capital cost per family? (Tabled November 4, 1981.)

Hon. Mr. Welch: This experimental project involved an electrical distribution system, a diesel plant, a mini-hydel hydraulic generating unit and modification to an existing earthwork dam to provide the water for the hydraulic unit.

The original estimated cost for the work, except construction on the dam, was \$548,500, and the final completion cost was \$570,000.

In the case of the civil work, the very severe weather during the construction period last winter caused considerable problems and the costs more than doubled from the original estimated \$491,500. Subsequently, the dam developed a leak and further extensive remedial work to the original structure was required during this summer. The final determination of costs for this work is currently under negotiation with the contractors.

This electrification scheme will provide electricity to 89 households.

PRODUCTIVE FOREST LAND

222. Mr. Laughren: Will the Minister of Natural Resources inform the House of the total acreage of productive forest land currently lying within shoreline reserves in each of the ministry's northern regions? What is the total acreage of productive forest land currently

lying within highway corridor reserves in each of those regions? (Tabled November 4, 1981.)

Hon. Mr. Pope: An accurate estimate is not available at this time for the area of productive forest land lying within shoreline and highway reserves in our northern regions. However, we have already taken steps which will provide us with an accurate estimate of the size of these reserves.

District land-use plans, which are now being prepared for each of the ministry's administrative districts, reflect the ministry's policy on reserves. After these plans are completed, the ministry will be in a position to provide the acreage of the area designated for shoreline and highway reserves.

LOST HUNTERS

237. Mr. Breaugh: Will the Solicitor General table statistics covering the years from 1971 to the present indicating: (1) the number of game hunters lost; (2) the number of resulting deaths among those lost; (3) the expenditures for search and rescue connected with those lost hunters? (Tabled November 6, 1981.)

Hon. Mr. McMurtry: (1) To obtain the statistics requested would involve a manual search of occurrences reported at OPP force locations which would involve hundreds of man-hours. This would seriously tax existing OPP staff resources. A task force is at present identifying force needs with respect to a computerized information service, which will hopefully make available a more diversified range of statistics.

(2) See answer to question one, as same rationale applies.

(3) The expenditures for search and rescue connected with those hunters lost are not available. Statistics for the year 1981 to date indicate 175 occurrences of lost hunters were reported with five resulting deaths. One hunter perished in the bush, one death apparently was from self-inflicted gunshot wound, and three deaths were from natural causes.

238. Mr. Breaugh: Will the Solicitor General table existing guidelines, in the case of lost hunters, for local authorities governing when to call upon the OPP and the armed forces support units for assistance in search and rescue? (Tabled November 6, 1981.)

Hon. Mr. McMurtry: In the case of lost hunters in areas policed by the OPP, such occurrences are considered a police investiga-

tion. The OPP utilize both fixed-wing aircraft and helicopters in such searches. Also, force members trained in bush search and rescue are deployed in conjunction with civilian volunteer search and rescue groups located in northern Ontario.

The Canadian Forces provide assistance for both routine and emergency situations. Requests for assistance by the Canadian Forces are normally followed up by an undertaking by the requestor to reimburse the federal government. The Deputy Minister of National Defence may recommend in emergency assistance instances that no charge-back be made. Requests originated by the OPP for Canadian Forces are directed through the assistant commissioner, field division. Each request is judged on the individual circumstances.

USE OF DEPO-PROVERA

242. Mr. Breagh: Will the Minister of Correctional Services table the current number of females receiving the drug Depo-Provera as a method of birth control under the ministry's jurisdiction? (Tabled November 6, 1981.)

Hon. Mr. Leluk: There are no females incarcerated in any of the Ministry of Correctional Services institutions receiving the drug Depo-Provera as a method of birth control.

SHORELINE PROPERTY ASSISTANCE LOANS

243. Mr. Van Horne: Will the Minister of Intergovernmental Affairs please indicate whether or not he sent a letter to Ashfield township, dated September 30, 1981, advising them that no more moneys would be available for loans through the Shorelines Property Assistance Act as of October 1, 1981? Will the minister agree to process loans which were approved by the township prior to this notice? If not, how is it that the minister allows townships to approve assistance, permitting work to be done on the strength of this commitment, and then, after the completion of the work for which funding at a reduced rate was requested, refuse to process the loan? How can the minister account for such quick depletion of this fund (in September the township was advised by an official in the ministry that there were ample funds available)? (Tabled November 6, 1981.)

Hon. Mr. Bennett: The total appropriation for shoreline property assistance loans for the current year was \$532,000. When the clerk of Ashfield township called in August to inquire

whether funds were still available, we had spent only \$178,300 of this amount, leaving a balance of \$353,700. In August and September, however, municipalities submitted debentures which totalled \$349,200, virtually exhausting our budget.

The province has no control over the amounts or the timing of these loans. The program is administered by the municipalities, with the result that applications have been approved and work has been completed before we receive the related debentures.

My staff are now contacting all of the participating municipalities to determine the actual amount of work approved and either completed or under way. Once we have this information, there is a possibility that we may be able to provide additional funds for these loans if the moneys necessary can be found in other programs.

SALES TAX

244. Mr. Di Santo: Will the Minister of Revenue table the following information: what was the total revenue in 1980 and 1981 accrued to the province from sales tax paid by small manufacturers and producers which are exempt from paying federal sales tax and excise tax on the basis the Excise Tax Act regulations, section 4? (Tabled November 9, 1981.)

Hon. Mr. Ashe: I regret to advise that the information requested cannot be provided, as my ministry does not collect such information.

INTERIM ANSWERS

186. Mr. Wildman: Hon. F. S. Miller—Detailed responses to these questions will be tabled by approximately December 18, 1981.

191. Mr. R. F. Johnston: Hon. Mr. Bennett—Due to the amount of detail and information required to respond to the above question, more time will be needed for preparation of the reply. The answer will be forthcoming on or about November 25, 1981.

192 to 220. Mr. Wildman: Hon. F. S. Miller—Due to the extensiveness of the requested information, it will not be possible to respond until approximately December 18, 1981.

223 to 236. Mr. Martel: Hon. Mr. Elgie—Given the complexity of the questions asked by Mr. Martel, more time will be required for the collection of the statistics asked for. Thus, a response will be tabled in approximately two weeks' time, i.e., December 3, 1981.

240. Mr. Breaugh: Hon. Mr. Timbrell—Due to the large amount of information requested in the above question, additional time is required to reserach and prepare the answer. I anticipate that a response will be tabled on or about December 15, 1981.

RESPONSE TO PETITION

**UREA FORMALDEHYDE FOAM
INSULATION**

Sessional paper 253, a petition regarding urea

formaldehyde foam insulation.

Hon. Mr. Timbrell: The government acknowledges the petition and will continue to assist home owners through testing and health survey programs.

Further, the government will continue with its efforts, those of other provinces and those of home owners to have the federal government accept its responsibility for correction of problems created by insulation of urea formaldehyde foam insulation.

CONTENTS

Friday, November 20, 1981

Oral questions

Ashe, Hon. G. L., Minister of Revenue:	
Car tax rebates , Mr. Sweeney, Mr. MacDonald, Mr. O'Neil.	3721
Bennett, Hon. C. F., Minister of Municipal Affairs and Housing:	
Winter works , Mr. McKessock.	3729
Davis, Hon. W. G., Premier:	
Constitutional resolution , Mr. McGuigan, Ms. Copps.	3730
Elgie, Hon. R. G., Minister of Labour:	
Wage protection , Mr. MacDonald, Mr. Sweeney.	3726
Handicapped workers' wages , Mr. McClellan.	3729
Grossman, Hon. L. S., Minister of Industry and Tourism:	
Plant layoffs , Mr. Sweeney, Mr. MacDonald, Mr. Ruprecht.	3722
McMurtry, Hon. R. R., Attorney General and Solicitor General:	
Grain elevator explosion , Mr. Foulds.	3730
Stephenson, Hon. B. M., Minister of Education and Minister of Colleges and Universities:	
University funding , Mr. Wrye, Mr. R. F. Johnston.	3727
Timbrell, Hon. D. R., Minister of Health:	
Extra billing , Mr. R. F. Johnston.	3731
Former psychiatric patients , Mr. Ruprecht.	3732
Walker, Hon. G. W., Minister of Consumer and Commercial Relations and Provincial Secretary for Justice:	
Norfolk co-operative , Mr. MacDonald, Mr. Kerrio, Mr. Foulds.	3726

Motion

Withdrawal of Bill 146, Mr. Bennett, agreed to.	3732
--	-------------

First reading

International Bridges Municipal Payments Act, Bill 171, Mr. Bennett, agreed to.	3732
--	-------------

Committee of supply

Estimates, Ministry of Northern Affairs, Mr. Bernier, agreed to.	3733
---	-------------

Other business

Visitor, Mr. Speaker.	3721
Auto pact, Mr. Kerrio.	3732
Answers to questions on Notice Paper, Mr. Wells, tabled.	3733
Recess.	3751

Appendix**Answers to questions on Notice Paper**

Ashe, Hon. G. L., Minister of Revenue:

Sales tax, question 244, Mr. Di Santo.	3755
---	-------------

Bennett, Hon. C. F., Minister of Municipal Affairs and Housing:

Shoreline property assistance loans, question 243, Mr. Van Horne.	3755
--	-------------

Leluk, Hon. N. G., Minister of Correctional Services:

Use of Depo-Provera, question 242, Mr. Breaugh.	3755
--	-------------

McMurtry, Hon. R. R., Attorney General and Solicitor General:

Lost hunters, questions 237 and 238, Mr. Breaugh.	3754
--	-------------

Norton, Hon. K. C., Minister of the Environment:

Royal Commission on the Northern Environment, question 185, Mr. Stokes.	3752
--	-------------

Inco emissions, question 188, Mr. Kerrio.	3753
--	-------------

Pope, Hon. A. W., Minister of Natural Resources:

Productive forest land, question 222, Mr. Laughren.	3754
--	-------------

Snow, Hon. J. W., Minister of Transportation and Communications:

Urban Transportation Development Corporation, question 175, Mr. Cunningham	3751
---	-------------

Hon. G. W., Minister of Consumer and Commercial Relations and Provincial Secretary for Justice:

Sales of liquor, question 189, Mr. Wildman.	3753
--	-------------

HUDAC warranties, question 190, Mr. Van Horne.	3753
---	-------------

Welch, Hon. R. S., Minister of Energy:

Sultan project, question 221, Mr. Laughren.	3754
--	-------------

Interim answers, questions 186, 191 to 220, 223 to 236, and 240.	3755
---	-------------

Response to petition

Timbrell, Hon. D. R., Minister of Health:

Urea formaldehyde foam insulation.	3756
---	-------------

SPEAKERS IN THIS ISSUE

Ashe, Hon. G. L.; Minister of Revenue (Durham West PC) Bennett, Hon. C. F.; Minister of Municipal Affairs and Housing (Ottawa South PC)

Bernier, Hon. L.; Minister of Northern Affairs (Kenora PC)

Cooke, D. S. (Windsor-Riverside NDP)

Cousens, D.; Deputy Chairman and Acting Speaker (York Centre PC)

Cureatz, S. L.; Deputy Speaker and Chairman (Durham East PC)

Davis, Hon. W. G.; Premier (Brampton PC)

Elgie, Hon. R. G.; Minister of Labour (York East PC)

Foulds, J. F. (Port Arthur NDP)

Grossman, Hon. L. S.; Minister of Industry and Tourism (St. Andrew-St. Patrick PC)

Johnston, R. F. (Scarborough West NDP)

Kerrio, V. G. (Niagara Falls L)

MacDonald, D. C. (York South NDP)

Mancini, R. (Essex South L)

McClellan, R. A. (Bellwoods NDP)

McGuigan, J. F. (Kent-Elgin L)

McKessock, R. (Grey L)

McMurtry, Hon. R. R.; Attorney General and Solicitor General (Eglinton PC)

Miller, G. I. (Haldimand-Norfolk L)

Nixon, R. F. (Brant-Oxford-Norfolk L)

O'Neil, H. P. (Quinte L)

Reid, T. P. (Rainy River L-Lab.)

Ruprecht, T. (Parkdale L)

Ruston, R. F. (Essex North L)

Stephenson, Hon. B. M.; Minister of Education and Minister of Colleges and Universities (York Mills PC)

Stokes, J. E. (Lake Nipigon NDP)

Sweeney, J. (Kitchener-Wilmot L)

Timbrell, Hon. D. R.; Minister of Health (Don Mills PC)

Turner, Hon. J. M.; Speaker (Peterborough PC)

Wildman, B. (Algoma NDP)

Wrye, W. M. (Windsor-Sandwich L)



No. 105

Legislature of Ontario Debates

Official Report (Hansard)

DEC 11 1981

First Session, Thirty-Second Parliament
Monday, November 23, 1981
Afternoon Sitting

Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Monday, November 23, 1981

The House met at 2 p.m.

Prayers.

McMICHAEL CANADIAN COLLECTION

Mr. Smith: Mr. Speaker, I have two points of privilege that are totally unrelated to one another. The first stems from an article in the *Toronto Sun* under the byline of Mr. Hoy on Friday, November 20, 1981. In it Mr. Hoy quotes the Minister of Culture and Recreation (Mr. Baetz) as saying he has "never seen or heard of" the first letter," the letter I said had been sent by Mr. McMichael to the minister. He then also quotes the minister as saying I was incorrect when I said an unofficial board meeting was called at the Canada Trust building and that the McMichaels were not invited. Mr. Hoy says, "There are only two explanations for this: either Smith is making it up or Baetz is covering it up."

I agree totally with that statement. That is an absolutely accurate statement by Mr. Hoy, but it does leave a certain doubt hanging over people as to which of us is telling the truth. Consequently I think it is very important I give members the information on which my statement was based so they can compare it with whatever information the minister might care to supply, since our integrity is important, I am sure, to both of us.

With regard to the question of whether or not there was a meeting, the news the meeting had been called found its way to the McMichaels, who heard about it from, I think, one of the board members. We checked on that by having one of my researchers call Michael Bell's secretary. Michael Bell's secretary said at precisely 2:00 p.m. on the day I made the statement in the House that at the request of Mr. Allyn Taylor she had telephoned the board members to inform them of tomorrow's unofficial board meeting and that there would be no ministry personnel in attendance. When she was asked whether the McMichaels were included in the invitation she said she had better let Mr. Bell answer anything further on this matter.

On the subject of the second letter, which was an earlier letter than the one tabled in the House by the minister, we have now checked with Mr. McMichael, who has asked his secretary whether

the letter of August 8, to which I made reference in the House, was sent to Mr. Allyn Taylor and a copy sent to the minister as indicated. Mr. McMichael says his secretary says, "Definitely yes. Those letters were sent, including the copy." That is as of August 8, 1980.

The record, I think, has been set straight, from my point of view at least.

ONTARIO ENERGY INVESTMENT

Mr. Smith: On a second point of privilege, if I may ask that you consider this, Mr. Speaker: Members of this House were promised that in their various caucuses they might be able to hear the very same government-supplied experts who spoke to the Conservative caucus some time ago. After the general government committee refused to consider the Suncor matter again, I immediately sent invitations to those self-same experts. I received an answer from Mr. Malcolm Rowan essentially suggesting arrangements should be made with the Minister of Energy (Mr. Welch) and that the Ontario Energy Corporation would "be happy to accommodate whatever arrangements you and Mr. Welch agree upon."

Furthermore, another member of OEC, Mr. Peter Lamb, says that he understands arrangements have to be made through the Minister of Energy. The Minister of Energy called my office on Friday to say the earliest such a meeting could be set up would be Thursday, December 3. I do not understand this. He was able to get these experts for the Tory caucus on virtually a moment's notice. Yet our caucus day is normally a Tuesday and the request was made last Thursday but we are told we have to wait at least two weeks. Even then the matter is uncertain and even then we have to change our caucus day.

If he is able to produce these experts for his own caucus on virtually a day's or a moment's notice, I have to ask why he cannot produce the same experts for the official opposition caucus at short notice, as well, on a matter as serious as this. I feel our privileges are not being taken sufficiently seriously by the government when we are being put through these hoops to hear from these self-same experts who the government will not allow to appear before a tripartite committee.

Mr. Cassidy: Mr. Speaker, I want to speak to this as well. I was unable to speak to the Energy minister when he called my office on Friday, and I was unable to reach him today because he was at a luncheon in St. Catharines. I, too, had the message that he would be happy to provide the experts on the Suncor purchase, but not until December 3. How he intends they could be in the Liberal caucus and the NDP caucus at the same time is beyond me.

But the fact is the government has quite deliberately kept any access to people who were in the know about the Suncor deal from the Legislature. It did this both by manipulating its members on the general government committee and also because of the consistent pattern of delay, procrastination and obfuscation which has come from the Minister of Energy. This is the same government which professes it is in favour of freedom of information and has been thinking about a freedom of information act for the last five or six years. I suggest the Suncor performance indicates we will not see that legislation for at least another 15. This does affect the privileges of this Legislature because when it came to getting any information through debate or through the compendium we got none there either.

Mr. Nixon: On a point of privilege: While the offer from the Minister of Energy was, I suppose, generous in his view it would be much more sensible if his offer would extend to the committee of the House. There is no indication at all—in fact, quite the contrary—that the caucuses referred to would be private. Would it not be better if the officials were asked to attend a committee of the House and all members taking part in the meeting could get the information they feel they could lay before us, and we could ask questions that might be in the public good.

Since the Premier is here today he might even use his own good offices to see that such a meeting might be arranged. It is the only sensible thing to do.

Hon. Mr. Davis: I did not hear the initial point of privilege, but I assume the Minister of Culture and Recreation can deal with that because I understand the Leader of the Opposition was dealing with two.

With respect to the second point of privilege, with great respect to the House leader for the

Liberal Party (Mr. Nixon) there is never just a single intelligent way to deal with an issue. I would be delighted to talk to the—

Mr. Nixon: The way the government has chosen does not fall into that category.

Hon. Mr. Davis: That is a matter of judgement where we might agree to disagree.

Mr. Nixon: Judge it yourself.

Hon. Mr. Davis: I understand the Minister of Energy made an offer both to the New Democratic Party and to the Liberal Party on two or three occasions with respect to those people who offered advice and judgement to the government. There would be the opportunity to visit with them. I am sure that is what he would like to do. I understand the offer was made a few days ago. I was not familiar with part of the conversations but there was no finality when he first made the offer.

He is not here today. I would be delighted to talk to the Minister of Energy and I am sure he will have some observations to make tomorrow afternoon. If he has them before, he will communicate them to the two caucuses even before tomorrow afternoon. But I do not think I will be able to reach him before about six o'clock today.

2:10 p.m.

1981 GREY CUP

Mr. Cassidy: Mr. Speaker, I have a different point of privilege to raise with the Legislature on a matter of great pleasure as a resident of Ottawa. I hope all members of this Legislature will join with me in congratulating not only the winners of the 1981 Grey Cup but also the Cinderella team of the 1981 Grey Cup, the Ottawa Rough Riders. They were not even deemed to be in the same league as the Edmonton Eskimos but came within six seconds of winning the Grey Cup. I think they did a magnificent job.

I know of the Premier's partisanship for the Toronto Argonauts, but even he can join in congratulating the Rough Riders for doing a job not only for Ottawa and the eastern conference of the league but also for Canadians.

Hon. Mr. Davis: Mr. Speaker, I want to make it abundantly clear, because this does come under confidentiality, that I was a modest recipient of the results of yesterday's game. There was a point spread and I was more than enthusiastic about making a modest—

Mr. Smith: Did you bet against the east?

Hon. Mr. Davis: No, I made a bet on Ottawa and I am the recipient because of the point spread. I was given the offer—

Interjections.

Hon. Mr. Davis: I appreciate the leader of the New Democratic Party getting up and bringing this to the attention of members of the House. Unfortunately, as he is on occasion, he was inaccurate in what he said. I wish it were so that they had lost in the last six seconds but the reality is they were tied with six seconds to go. It was that last field goal that did it.

I might even have some observations to make about the officiating. I watched the replay very carefully. If one is going to call a pass interference penalty—and my understanding of the rule is very simple—either there was interference or there was not. The Edmonton player interfered with Gabriel. Ottawa should have had first down on the Edmonton 58-yard line and they should have won the game. That came from about the centre field stripe on the other side of the field, but I saw it very clearly. I communicated it to everybody around me. In fact, I communicated to the Premier of Alberta that I thought it was an erroneous decision.

I made another bet at the game, I must confess, on behalf of all members of the House. In fact, I made this wager on behalf of all Ontario. I wagered our deficit against Peter Lougheed's Heritage Fund. How could I lose in that process? Unfortunately we did.

Mr. Smith: You should have asked for a point spread there too.

Hon. Mr. Davis: We would have been the recipients of that. We came within six seconds.

I would like to add my congratulations to the Rough Riders, having been with the general manager of that great organization, one of the more colourful athletes in this province, Mr. Dunlop. I can assure the member for Ottawa Centre that while my loyalties during the eastern conference season have been for some years with the Toronto Argonauts, when it comes to the Grey Cup I always support the Ontario team that is participating. I did so. I wore an Ottawa button. The fact I had a Toronto Argonaut scarf hidden under my jacket was just by accident.

I offered my best wishes to Mr. Waters, the owner of the Ottawa Rough Riders and to Mrs. Dunlop, because Jake had already gone down to the dressing room. It was a great day for Canadian football, one of the best Grey Cups

we have ever had, and Ottawa nearly made it. As I saw it, with that one play they could have done it.

Mr. Smith: Mr. Speaker, just as with Ontario against Alberta in the economic area, there was a time the Premier would have bet on Ontario and not just on the idea of them losing by a little less than expected.

STATEMENTS BY THE MINISTRY

DISTRICT MUNICIPALITY OF MUSKOKA

Hon. Mr. Bennett: Mr. Speaker, later this afternoon, I will move first reading of the District Municipality of Muskoka Amendment Act. This bill will alter the method of selecting the council of the district municipality of Muskoka.

As at present, the mayors of the six area municipalities will be members of the district council. All other members of the district council will be elected directly, either from wards or from an entire area municipality. All the district councillors will also be members of their particular area municipal councils. Neither the number of representatives from each area municipality or district council, nor the total number of members on district councils will be altered by this proposed legislation.

This bill will also make a number of minor amendments to the District Municipality of Muskoka Act. These include a method of changing the status of the area municipalities, provisions for resignation and disqualification of district councillors and a change for the terms of debentures. Amendments to make similar changes to other acts will be introduced at a later date.

ORAL QUESTIONS

ASTRA/RE-MOR

Mr. Smith: Mr. Speaker, there are slim pickings today.

Hon. Mr. Davis: No slimmer than your own numbers over there.

Mr. Smith: The cabinet ministers are getting paid a lot more than my own members over here; they are supposed to be here.

I will ask a question of the Attorney General concerning the Astra and Re-Mor victims. The Attorney General will recall the many instances in which the Premier assured the victims the government intended to treat them all equitably and fairly.

Is he familiar with the case of Mr. Allan

McIver, a person who put \$30,000 into what he thought was Astra? It was diverted into Re-Mor. He tried to get his money out. They would not give it to him but they loaned him \$30,000 against the money he had there. He then paid back some of the loan and invested the rest. He now finds himself in a position where, by letter from the legal firm of Goodman and Goodman acting for Astra Trust, he is being sued to pay back the \$27,000 he owes the Astra bunch, but he cannot get his hands on the \$30,000 of his money the Astra people have. He will lose his home if this law suit proceeds.

Will the government explain how it can happen that people who are owed money by the Astra bunch should also be sued by them for money they owed to Astra? How can this occur? Is it not time the government brought the receivers together to make sure this does not happen?

Hon. Mr. McMurtry: Mr. Speaker, I do not know the details of this claim. We are engaged in a process, as far as the licensing of Re-Mor is concerned, to determine what assistance, if any, should be given to these investors by the taxpayers of Ontario through their government.

I assume the Leader of the Opposition is entirely sincere in expressing his concern about the investors of Astra and Re-Mor. I suggest as part of his concern he might communicate with some of his colleagues in Ottawa who have refused to engage in any meaningful discussions about their clear responsibility with respect to the trust charter given Astra Trust.

I know the Leader of the Opposition is well aware that charter provided the framework within which so much of this activity, which we believe to be illegal activity, took place. I hope he will communicate his concern to his federal colleagues. If they had been a little more co-operative, they would have been prepared to face up to their considerable carelessness with respect to the granting of this trust charter. Then we might find a much earlier resolution. But in so far as any of the other ongoing litigation is concerned, I will consider the question that has been put and determine if there is anything further we can do to assist in this process.

2:20 p.m.

Mr. Smith: Supplementary, Mr. Speaker: Would the minister not agree it is entirely unfair that this man, Allan McIver, should now be in a position where he may lose his very last possession on earth? I assure the minister he is

absolutely at the end of his rope. He does not know what to do or where to turn next. He has already had his money taken by the Astra Trust group. He wanted to get his money back, they loaned it back to him, and now they are suing him for his own money. Does the minister think that is right or fair? Would the minister not at least call in the receivers for Re-Mor and the receivers for Astra Trust and tell them in a case where they have his money and are also suing him for it they ought to just set that case aside and stop persecuting him? Would that not be a reasonable thing for the government to do?

Hon. Mr. McMurtry: I will inquire into the circumstances of the matter the Leader of the Opposition has brought to my attention, and, after having reviewed that, determine whether the government should play some further role in this matter. We certainly will look into it.

Mr. Swart: By way of supplementary, Mr. Speaker: I am intrigued by the Attorney General's statement that the federal government should face up to its responsibility because of its carelessness. I am assuming he means it should face up to the responsibility by accepting some liability and making a voluntary settlement with the investors. If that is what he is saying, in view of the extreme carelessness, or perhaps worse, on the part of the Ministry of Consumer and Commercial Relations, will he now reassess the situation and recommend to the Ontario government that it make a voluntary settlement with the investors because of its carelessness?

Hon. Mr. McMurtry: I think the mechanism that has been put in place with respect to this matter is a very fair approach as far as the government of Ontario is concerned.

Mr. Cunningham: Final supplementary, Mr. Speaker: I am surprised the minister has forgotten about the obligations of the Loan and Trust Corporations Act administered by this province. I would like to ask the Attorney General if he would use his good offices to endeavour, once and for all, to try to get the receivers together to co-operate on this matter, in the hope that people like the McIvers and hundreds of other people, who are in a terrible situation with this sad fiasco, could get their money back. We are wasting a lot of taxpayers' money while these receivers are running around. Could he not get them together?

Hon. Mr. McMurtry: I think what I said to the Leader of the Opposition pertains as well to this suggestion. We will pursue the suggestion as put forward.

UNIVERSITY FUNDING

Mr. Smith: Mr. Speaker, I have a question for the Minister of Colleges and Universities. Now that she can no longer blame the federal government—which, after all, increased its share of university funding while she decreased hers—and now that she has turned to the students, who are already paying as high a proportion of the cost of their education as students in other parts of this country, if not higher, she has decided the alumni will have to make up for her underfunding of the universities over the last several years.

Is the minister aware that voluntary gifts are a small and diminishing source of support for universities? In the United States it dropped from 14 per cent to 6 per cent from 1957 to 1978. Even at Trent University, which the minister holds up as an example of great planning, only 2.9 per cent of revenue came from endowment and gift income. Will the minister not agree that instead of constantly pointing blame at students, the federal government, alumni, and everybody else, it is this government, according to its own report, that has to stop the underfunding of universities? Why does she not get on and do the job properly?

Hon. Miss Stephenson: Mr. Speaker, the question asked by the honourable member is whether I agree. No, I would not agree. There is a joint responsibility even he cannot shirk as the graduate of a university. I believe that is a moral responsibility each one of us should assume. The province has not treated the university system in any way differently from any of the other institutions for which government has responsibility. We have, along with those institutions, attempted to demonstrate it is possible to live as closely as possible to the level of our means. That is a very reasonable kind of activity, I think, in any jurisdiction.

But the honourable member also suggests the federal government has continued to increase its donations, specifically post-secondary, to universities. He cannot make that statement, nor can the federal government. It designed the format that ensured the amount of money that was transferred under established program funding was directed towards both health and post-secondary education and could not be subdivided.

It cannot have it both ways. It goes around saying it has increased its contributions to a level of 60 per cent or 80 per cent in this province. That is bunk. Over the last few years

of the term of the agreement on EPF, the federal contribution to health and post-secondary education in this province has been only a little over 44 per cent of the total amount contributed to those two sectors. The feds are really going to have to stop talking out of both sides of their mouths, just as their kissing cousins in Ontario will have to.

Mr. Smith: Supplementary, Mr. Speaker: The facts will show the federal contribution, as a result of the established program financing, actually has increased at approximately the rate of inflation or greater each year. The provincial contribution to post-secondary education has increased at far less than the rate of inflation each year. The provincial share of actual funding of academic programs and support services fell from 18.5 per cent to five per cent.

The facts and figures are there, and the minister knows them. Rather than throwing up a smokescreen of the responsibilities of alumni, she should recognize that whatever donations are made in the private sector, however much Ontario may now well be a charity case, whatever she expects to receive by way of charity for hospitals and universities will probably find its way out of other charities such as the United Way, the Canadian Cancer Society, and so on. Will the minister recognize that taxpayers want to support the post-secondary sector? Will she recognize she has a responsibility to put money into that sector—her own report tells her that—and stop trying to blame the alumni or the parking attendants or the students or anybody else? It is a problem that is precisely of her own making and no one else's.

Hon. Miss Stephenson: Mr. Speaker, I have attached no blame for any situation to anyone. If I were to attach blame I can think of the most appropriate body, which I will not mention here, but it has nothing to do with this provincial government. There are many sources of funding for post-secondary education at the university level, which have been traditional and are universal. Simply because we live in Ontario does not mean we should forget about those other sources, and indeed, we shall not forget about them. I am very much concerned the honourable member seems to be saying that Canadians should not practise charity. I think that is one of the virtues that is terribly important for all of us, and I do hope he will change his mind about that position.

Mr. Grande: Supplementary, Mr. Speaker—Interjections.

Mr. Speaker: Order.

Mr. Grande: A report of the committee of presidents of colleges of this province, talking about the underfunding by the government between 1973 and 1981, says the colleges are receiving, as a result of inflation, \$428 less per student than they did eight years ago. Is the minister aware of that and is she aware the presidents of these colleges are calling for the establishment of quotas in our colleges to prevent our students from attending the college of their choice?

Hon. Miss Stephenson: Yes, Mr. Speaker, I am aware of that letter. I am also aware of the kind of motivation that naturally proposes that kind of position, and I understand it thoroughly.

Mr. Wrye: Final supplementary, Mr. Speaker: I would like to read just a couple of the comments of Carleton's director of development, Mr. Michael Roberts, who was asked to comment on the minister's new charity funding ideas on the weekend. He suggested: "It is easy to make simplistic statements. I just wish she'd come to Carleton to see how strapped we really are. We are at the point where we only clean the rooms once a week, empty the wastepaper baskets once a week, and the bulbs have been removed from two out of every three fixtures."

I ask the minister to comment on Mr. Roberts' view that her proposal of university funding through a tag-day system is simplistic? Would she explain whether it is her view that raising \$25 million a year in donations, as she suggested on Friday, will solve the funding crisis that threatens the very existence of Carleton and every other university in Ontario?

2:30 p.m.

Hon. Miss Stephenson: Mr. Speaker, there was never any intention on my part to suggest there would be any reduction in the commitment and the responsibility the provincial government feels for universities as a result of any other activities the universities might carry out.

But I do feel strongly there is a very major personal responsibility on the part of each one of us as citizens to provide additional funding over and above that which we provide through the tax system. If we are interested in maintaining the high quality of our university system, which is being maintained at present, then each one of us has a responsibility to look at that.

There is no doubt in my mind that most of the universities are aware of the other potential for finding additional sources of funds. They perhaps have not been as aware as they should have been for about 10 years, but they are now

becoming very much aware. They compare themselves, I am afraid to their disadvantage, with their counterparts in the United States and in other jurisdictions, where the citizens are much more generous to universities than they are in Canada. I do believe that is a Canadian fault which should be corrected, and that was the simple statement I was trying to make.

Mr. Smith: They had faith, they had hope, and all they get is charity.

Hon. Miss Stephenson: They wouldn't get it from you, anyway.

Mr. Speaker: Order.

INTEREST RATES

Mr. Cassidy: Mr. Speaker, I have a question for the Premier. Last Saturday afternoon I was in Ottawa with some 100,000 men and women from across Canada who had come together on Parliament Hill to express their concern about the economic situation and, in particular, their opposition to the high interest rate policies of the federal government in this country.

Will the government of Ontario join with those 100,000 Canadians who were on Parliament Hill on Saturday, by making a clear and unequivocal statement that this government opposes the high interest rate policies of the federal Liberals? Will it call on the federal government to use its powers to put a ceiling on interest rates and to provide mortgages at 12 per cent for home owners and farmers in this province and across the country?

Will his government enact a moratorium, as was done in the 1930s, to protect home owners and farmers who are having their mortgages rolled over at exorbitant interest rates? And will his government restructure the Province of Ontario Savings Office to turn it into an institution that can work with the credit unions to provide mortgages at reasonable rates for people across this province?

Hon. Mr. Davis: Mr. Speaker, actually there were a series of questions there. I am not sure I can remember them all. The government of this province, through the Treasurer (Mr. F. S. Miller), has already made clear its views on interest rates to the government of Canada. In fact, the ministers of finance are meeting in Halifax at the moment to discuss many aspects of Mr. MacEachen's recent budget. I expect the Treasurer once again will reiterate his position; that is, the need for this country to develop an interest rate policy that is independent of the United States.

We have said on many occasions that we do not agree with the interest rate policy of the government of Canada. I think this is well known to that government. I do not put it in partisan terms, but the message has been conveyed on more than one occasion.

Mr. Cassidy: Is the Premier prepared now to act at the provincial level to ensure that Ontario does what it can to bring the interest rates down?

I recall the Premier's statements back in 1975, when he said his government was not prepared to stand idly by and to give up jobs and homes to a federal policy that gives in to both increased unemployment and inflation. At that time the Bank of Canada rate was going up to about 9.75 per cent from about 9.25 or 9.5 per cent previously. That was the crisis to which the Premier promised to respond six and a half years ago.

Is the Premier prepared to respond now by declaring a moratorium on rollovers to make sure they take place at the same interest rates and by turning the Province of Ontario Savings Office into a genuine provincial savings bank that will provide credit and mortgages to people at interest rates they can afford?

Hon. Mr. Davis: I recall the situation in 1975. But I also make it abundantly clear to the leader of the New Democratic Party that while part of the problem, without question, is interest rates in this country, the one reason we are having difficulty in three or four sectors of our economy, the farm machinery sector, the auto sector, et cetera, is not the interest rate policy in this country but the interest rate policies south of the border.

He should be aware of this more than most members of the House. Eighty per cent of the cars produced in this province are sold south of the border, and a great deal of the farm machinery is sold either in the United States or abroad; so that whatever is done even by the government of Canada with respect to interest rate policy in some sectors of the economy really does not have an impact on their markets.

If it is interest rates in the United States that are discouraging the automotive sector—and I happen to believe this is one of the important ingredients in the downturn in the auto business—then even if the government of Canada were to alter its interest rate policy, it would not solve that part of the problem.

I make it abundantly clear that over the years this government has taken steps either to alleviate or to stimulate the economy. Some

members were less than enthusiastic about the short-term program with respect to the Ontario sales tax on sales of 1981 automotive vehicles. If members check with dealers in the province, they will find that we have had nothing but positive comments from 99 per cent of them: 1981 inventory has been moving and the situation is extremely encouraging. It has an impact on the dealers and, with great respect, some modest impact on the industry itself, which incidentally is something that the head of the Ontario Federation of Labour, before he proceeded with his brief on universal day care, acknowledged as a positive contribution by the government of this province.

Within our jurisdiction, we have always taken whatever steps we could to assist in terms of both inflation and employment; that has not altered and it will not alter.

I cannot assure the leader of the New Democratic Party that the Province of Ontario Savings Office will be turned into a bank in the full sense of the word, with resources that quite obviously limit somewhat the amount of capital that is available to enter into an interest rate subsidy program that would help some and perhaps not solve the problems of many, like the small business community.

We have argued, and will continue to argue, that if there is going to be a policy or program on interest rates for home owners and farmers, that program should be national in origin. We believe that; that is the only way it will work in this country. We are prepared, as the Treasurer has said, to participate in any such federal initiative.

Mr. Nixon: Mr. Speaker, although the Premier is indicating to the House that he does not feel high interest rates have interfered with, for example, sales of farm machinery made in Brantford, will he not agree that a provincial program to assist farmers in making capital acquisitions, such as other provinces have, undoubtedly would stimulate the market at least to the extent that they would not have to close down during the winter months and lay off the extra 1,650 employees who are now out on the street?

Hon. Mr. Davis: Mr. Speaker, I am not sure I heard the honourable member's first reference.

Mr. Nixon: If I may clarify, Mr. Speaker: I thought the Premier said, in answer to the question, that it is not a fact that interest rates are high here but that they are high in areas where, for example, Massey-Ferguson is trying to sell its combines.

Hon. Mr. Davis: I am sorry; I did not mean to convey that impression. Interest rates are a problem here in our market as well. I was just pointing out to the leader of the New Democratic Party that my recollection is that approximately 75 per cent of the combine production at the Brantford plant of Massey-Ferguson goes to the United States or offshore. As to what proportion of the remaining 25 per cent is sold here in Ontario and in the western provinces, I do not have those figures at hand; I can get them for the honourable member.

I was only pointing out that the bulk of Massey-Ferguson's production is exported. It is the interest rates in the United States, I believe—there may be other factors—that are one of the prime considerations, and that is where 75 per cent of their production goes.

2:40 p.m.

Mr. Cassidy: Is the Premier not aware the Alberta Treasury Branches now have \$1.9 billion worth of loans outstanding in that province? That is an example of a provincial savings office that has been used creatively to help people in the economy, to help home owners, people in small businesses and farmers.

Why could Ontario not take that step and use the Province of Ontario Savings Office to provide credit here, to provide mortgages to people in this province? That is not a situation that depends on the Americans; it is a situation affecting people in Toronto today and people who were in Ottawa on Saturday because they have been driven to the wall by high interest rates. There is a way the government of Ontario could act creatively and positively to help the victims of high interest rates.

Hon. Mr. Davis: I tried to point out to the leader of the New Democratic Party that there are two aspects. One is the real concern we all have with respect to interest rates in relation to home owners, farmers and many others. What I was saying in my answer to him was that it is interest rates other than in Canada that are having a major impact in terms of layoffs in a number of our industries.

There is no question that the layoffs in the automotive sector relate to the high interest rate policies in the United States, because that is where roughly 80 per cent of our production goes; I could be out by one or two percentage points but I am close. It is also true in the farm machinery business.

I say to the leader of the New Democratic Party that we share this concern with respect to

mortgage interest rates as well as interest rates for small business and the farm community. Many people feel the impact.

I do not think we can contemplate changing the Province of Ontario Savings Office into a significant lending institution, both in terms of the amount of capital—I cannot give the leader of the New Democratic Party the amount of funds that might be there—and in terms of other government responsibilities.

What we are saying, and I know he will not agree with me, is that we feel it is important, if we are going to have a program in relation to mortgage interest rates, as an example, that it should be a nationally initiated program in which this province is prepared to take a share, whatever that share might be.

REPORT ON BILD

Mr. Cassidy: Mr. Speaker, I have a new question, also for the Premier.

Last week, several ministers of the government waxed lyrical about the impact of the Board of Industrial Leadership and Development program and what it would mean for the people of Ontario.

I want to ask the Premier whether he can say what the BILD program is going to mean to the people of St. Thomas, for example, which has been so hard hit by the recession that 15 per cent of the manufacturing work force now is on layoff or unemployed, where the unemployment insurance case load has gone up by a third, where the number of reposessions at Canada Mortgage and Housing Corporation has gone up by two thirds and where the welfare rolls have gone up by 38 per cent.

Exactly what is BILD going to do for people in that community, who have now had month upon month of economic recession with no respite at all from this government?

Hon. Mr. Davis: Mr. Speaker, with great respect, the leader of the New Democratic Party was never that enthusiastic about the BILD program, partly, I guess, because he never understood it—

Mr. Swart: Do you understand what is happening in St. Thomas?

Hon. Mr. Davis: If the member for Welland-Thorold will sit back, be quiet for a change and listen, I will try to explain it to him.

Interjection.

Hon. Mr. Davis: I agree with the member for Oshawa. It is going to be hard to get the member

for Welland-Thorold to understand. I know what he is saying. I have perhaps a greater regard for his colleague than he does.

If the leader of the New Democratic Party understood the BILD program, it was specifically designed to deal with specific sectors. It was designed to give stimulation and encouragement to certain aspects of economic development. It was not designed to be the cure-all for economic difficulties experienced because of market conditions outside Ontario.

If one looks at the situation in St. Thomas, my guess, and I am only guessing, is that part of it does relate to the downturn in the automotive sector. I think he will find some of the figures relate to the degree of production at the St. Thomas Ford plant, which moved to the smaller car, which had a degree of market acceptability but which, I guess, at this moment is not generating as much activity as had been anticipated.

The BILD program was not designed to affect some of those market conditions. What it was designed to do was to introduce government encouragement in certain specific sectors, including that of the automotive parts industry, where within a short period of time this government will be moving ahead with a decision that will give stimulation to the auto parts sector in terms of technology. This is true with respect to many other aspects of the BILD program, such as microtechnology.

I spoke to the food processors this morning. We had allocated in the BILD document, if memory serves me correctly, some \$20 million for the food processing industry over a five-year period. As of this moment, I think we have spent some \$8.5 million. After six or seven months, it is having an impact.

I say to the leader of the New Democratic Party, he has to draw the distinction between the availability of government funds for specific sectors or areas to create new job opportunities down the road and finding solutions to market conditions over which, as a government, we really have very little control.

He should be totally consistent in his approach, because those initiatives that we have taken will lead to greater employment in the longer term. His party has consistently opposed them, day after day, week after week, and I will not go through chapter and verse on this occasion. He knows what they are, and he is just as embarrassed, as he should be, in dealing with them with his own membership when he happens to be in those geographic locations.

Mr. Cassidy: I am not embarrassed. I am outraged about the fact that there are so many workers across this province who are unemployed right now.

In St. Thomas, to take that example, there are 1,350 manufacturing workers who are currently out of work and do not know when they are going to get back to work. The plant that the Premier so proudly inaugurated when the new Ford cars were coming off the line back in February—or was it March, during the election campaign?—has given those workers only four weeks of work between August and December, a period of four months. Other plants are having the same kind of shutdowns.

In the building trades in St. Thomas, there is only one sixth of the building permits up to this October as compared to a year ago. A dozen retail outlets in that community have shut down over the course of the last three or four months because of the recession. Surely this is more than just a matter of a slight market downturn.

Mr. Speaker: Supplementary?

Mr. Cassidy: If the Premier says BILD is not going to do anything for the people of St. Thomas, then when is the government going to act on behalf of the working people of St. Thomas, and what specific measures does he have in mind?

Hon. Mr. Davis: The member is singling out St. Thomas. There are a number of other communities, including Windsor—

Mr. Cassidy: I'll give you more.

Hon. Mr. Davis: That is fine. It will come as a great surprise to him that I happen to be aware of it. And I say once again that, as he was so early in the day, he is factually incorrect again. I was not at the inauguration of the plant in St. Thomas. That St. Thomas plant, if memory serves me correctly, has been functioning for some 15 years. I happened to be there when the first vehicles were produced, much to the enthusiasm of the workers there. The Ford people had predicted—

Interjections.

Hon. Mr. Davis: All right. They can belittle those people. They have to deal with them. They provide employment, and I just say that I am not in a position of being able to accurately predict the acceptability of a particular commodity. That is not a function of government. If he would give the same interest and attention to the government's involvement in the Ford engine plant and what was accomplished there, in putting us in a position—

Mr. Cassidy: That doesn't help St. Thomas.

Hon. Mr. Davis: Oh, come on. The member knows, and I know, and so do his Windsor friends, the economic impact of that. Where was he when that was being done, other than being critical? Where is he ever when anything positive is happening, but being critical, or hiding behind the bush so he does not have to accept any responsibility?

Mr. Di Santo: Mr. Speaker, how can the Premier boast in this House about the performance of this government when in his own riding there are thousands of workers who have been laid off by McDonnell Douglas and he said during the election that he was going to have a chat with the management of the company and when the manufacturing sector in Ontario is slipping to the last place in terms of growth in Canada? If the BILD program does not apply, what kind of program will apply to some of the problems of the manufacturing sector in Ontario, which is basic to this province?

Can the Premier tell us how the people of Ontario can trust the policies of this government when, on the one hand, he comes to this House and tells us that he is buying Suncor because he is in favour of the national energy program and the next day he goes to Boston and speaks against the Foreign Investment Review Agency?

How can he reconcile the contradiction, and can he tell us what kind of programs this government will provide for the health of the manufacturing sector in Ontario?

2:50 p.m.

Hon. Mr. Davis: Mr. Speaker, I think the honourable member probably has raised three issues in his one question. I will try to deal with them as objectively as I can, once again to inform him.

I think the first question related to McDonnell Douglas. I am not sure whether it was during the election campaign when I said to the workers of McDonnell Douglas, many of whom live in the great riding of Brampton and many of whom have been employed for many years by McDonnell Douglas and, prior to that, A. V. Roe, that I was quite prepared to go to St. Louis, which I did, to discuss with management at McDonnell Douglas the long-term economic prospects of the Malton plant of that organization. I made it quite clear to the chairman of the board—

Mr. Laughren: They said Bill Who?

Hon. Mr. Davis: Does the member want to listen or does he not?

I made it quite clear to the chairman of the board, as I did to members of the union and a number of people I happen to know who work at McDonnell Douglas in the Malton facility, that this government was not in a position to buy the DC-9s or the DC-10s. They know that; they accept it. I also told them that I would communicate my concerns to Air Canada, which was in a position to buy the DC-9 or the new Super series or the DC-10. They have opted for another form of aircraft.

I made it abundantly clear that as far as I was concerned I would suggest to the management of McDonnell Douglas that they should vary corporate policy so that the Malton facility might bid on components for competitors within the industry—I think it is fair to state that is not only a possibility but also a probability—so they could share in some of the aerospace activity that, as a matter of corporate policy, they were not allowed to do; in fact, they have now bid on components from other companies.

When the member mentions the Board of Industrial Leadership and Development program, I would also say there is a rather significant aerospace industry in the great riding of Downsview. I think he will find that the BILD program purchased the first Dash-8, which is a great opportunity for de Havilland to indicate our support of that industry and what it has been able to do in providing employment in the honourable member's riding.

I also say to the honourable member that as part of my commitment to de Havilland, when I was in Australia on trade, I was in touch with one airline—I think they have orders in for three or perhaps five aircraft—encouraging them in terms of the prospects.

We now deal with the third question. I apologize for taking so much time, but there were three questions. The member for Downsview asked how I could support Canadianization of the oil industry one day and then go to the Boston Economic Club the next day and say that we were opposed to the Foreign Investment Review Agency.

I say to the honourable member that I am delighted to know he supports the acquisition of 25 per cent of Suncor. It is his support that has been the only negative in all of this debate. It worries me. But I say to the honourable member that he was not at the Boston Economic Club. He does not know exactly what I said.

I made it abundantly clear to our American neighbours that we believe in a greater Canadianization of the energy industry. I make

no bones about it. I expressed some concern with respect to the expansion of FIRA. I said the same thing here in the House after I heard Herb Gray musing that he might extend the ground rules of FIRA. I said then that we felt it should not go any further. That is exactly what I said to them in Boston. I said I was encouraged by Mr. MacEachen's observation in his budget that they had decided not to further increase the scope of FIRA. That is exactly what I said.

Mr. Di Santo: I have a point of privilege, Mr. Speaker. The Premier said that I was not in Boston when he gave his speech. I was not because the Premier did not invite me in his jet. I read an editorial in the *Toronto Star*, and if the Premier thinks the press report is wrong, he should have corrected the report of the *Toronto Star*.

Hon. Mr. Davis: If I may reply to that point of order, Mr. Speaker: The *Toronto Star* did send a reporter, which I thought was very considerate of them. I have not read an editorial in the *Toronto Star* except to say what I have said here, and I repeat it once again. I am not suggesting that the honourable member should not get all of his information from the newspapers. If that is his source, so be it. I cannot quarrel with that. That is my source on occasion. That is where I find out what some of the members opposite are up to, which they deny they are up to the next day, but we all have to rely on that. I just want the member to know exactly what I said.

Mr. Peterson: Mr. Speaker, I want to return to the economic and unemployment problems. The Premier's response seems to be, "If in doubt, have a meeting or make a speech." Why is the Premier not doing something about the Caterpillar situation in his own riding? They are now in the process of importing 15 skilled workers from Scotland to work in that factory when we have those people here in the province.

Hon. Mr. Davis: Mr. Speaker, being Welsh, I am sorry the member is not enthusiastic about the Scots. With regard to some of the negatives he is talking about in the economy of this province, the decision by Caterpillar to move into the great city of Brampton with a very significant investment and long-term employment opportunities is a clear indication that a lot of people have confidence in the economic future of this province.

I am delighted the member raised the issue. I will certainly encourage Caterpillar to find as

many people as they can within the work force of this province. But I hope the member recognizes that their commitment is a clear indication, in spite of what his leader said for 44 days, that the economic future of this province is very good.

CONSTITUTIONAL RESOLUTION

Mr. Boudria: Mr. Speaker, I have a question for the Premier. The headline in this morning's *La Presse* newspaper is about a letter that was written by the Premier to a Mrs. Ellen Sallmen of Ottawa last January 29. In this letter, the Premier says the guarantees in the proposed charter of rights in the constitution were necessary to counteract Bill 101 and not to improve the rights of Franco-Ontarians.

Does the Premier not think he has seriously jeopardized the chances of getting Quebec to rejoin the process with that kind of statement?

Hon. Mr. Davis: Mr. Speaker, I know that the honourable member probably has read the paper and that he has been asked to raise this question. I think one or two letters were sent. I think the date of this one, as he said, was last January, when the question of Ontario's support for the constitutional resolution currently before the House was being questioned by some. It was a fairly lengthy letter dealing with several aspects, because part of the problem raised was the question of entrenching the educational provisions in the constitutional resolution. I think the letter pointed out that in our view this not only would entrench rights for the francophones in Ontario but also would give the same constitutional guarantees to the anglophones in Quebec, which I understand is something the member's party has supported. That is really the tenor of what the letter said, and I would like to think the member agrees with it.

Mr. Boudria: As far as education is concerned, we agree with that position. But does the Premier not think that if curtailing the power of Bill 101 is desirable to improve the Anglo-Quebeckers' situation, then improving the rights of Franco-Ontarians is equally important?

Hon. Mr. Davis: I should point out to the member, and he should be as well aware of this as any person in the House, that the policy of this government over the years has been and continues to be to extend the availability of services progressively to the francophone population in this province. There has been no

diminution. There are no statutory requirements as to where a person comes from in terms of the availability or accessibility of services.

I introduced the amendments to the Education Act that provided for secondary school education to francophone students. The member should read the act very carefully. I challenge him to find anything in the act that says a person must come from a particular geographic location to be entitled to that education program. It just does not happen to be there.

In every move we have made, and the member can argue whether it has been fast enough or whether it should have been in some form of statute, the reality is that this government has moved progressively to improve access to francophone services for the francophone population in Ontario. The record is there.

Mr. Samis: Mr. Speaker, can the Premier tell the House whether there are any circumstances under which he would support the application of section 133 to this province?

Hon. Mr. Davis: Mr. Speaker, as one looks at section 133, the reality in the part of the constitutional resolution that deals with education is that while section 133 does not have application, that in my view is one of the principal areas if one is concerned about the preservation of culture and language. The member may disagree with me on that, but I happen to believe it is true. That will be in the constitution.

I have argued, in terms of this province's delivery of services in the field of the criminal courts, that we have made substantial progress with respect to the francophone population in Ontario. The question of section 133 was not a part of the discussions of two weeks ago. It was not raised by Quebec. I would like to see, not an awareness and understanding by members of this House, because some members have said, "We have done much of what is in section 133, even though we do not accept it in terms of any constitutional amendment," but a little greater recognition in Quebec as to the progress we have made in provision of services to the francophone population.

3 p.m.

Mr. Speaker: Final supplementary; the member for Renfrew South.

Mr. Yakabuski: Mr. Speaker, this is not a supplementary. I was just moving from the constitutional issue to a bread-and-butter issue, the cow-calf program. May I ask the Minister of Agriculture and Food (Mr. Henderson) a question?

Mr. Speaker: In rotation; if this is a new question, we have to recognize a member of the New Democratic Party.

LIQUID WASTE DISPOSAL

Mr. Charlton: Mr. Speaker, I have a question for the Minister of the Environment regarding the decision last week on South Cayuga.

Since there have been more than 200 exemptions under the Environmental Assessment Act allowed by this government, and since the public wonders if this government will ever allow that excellent piece of legislation to operate effectively in this province, is the minister prepared to see that there is a full environmental assessment for the industrial waste disposal facility, for which the Ontario Waste Management Corporation is going to be continuing to try to establish a location, now that the process has to start over in terms of a site?

Hon. Mr. Norton: Mr. Speaker, the answer to the question is "no." The honourable member would have to acknowledge that the process established in the Ontario Waste Management Corporation Act is a process not only that is thought to work but also that we have seen in operation. I have confidence that process will do a very effective job in the course of the determination of the ultimate site. I am reassured also by the fact that—as I understand it, although I was not present at the time—at the press conference held by the chairman of the Ontario Waste Management Corporation, he also expressed confidence that process was working.

In the member's preamble he made some reference to a specific number of exemptions. It is only fair that he should put that into perspective. A significant number of those exemptions were made when the act was brought into effect and applied to projects that were at a certain stage of development then. There were also some specific target dates established for bringing others under the act, with provision for exemption of those projects at that time that might be well on the way either to completion of design or to construction. If one takes out those kinds of things, which it was understood by the Legislature and others there had to be some adjustments for, then the figures the member quotes ought to be much smaller.

Mr. Charlton: As a result of the decision last week, there is no lack of confidence now in the

fairness of the process being used. On the other hand, there is some serious concern about the timetable it will create if, for example, the preliminary studies on several sites that are being proposed are done, one site is picked for in-depth study and the in-depth study again rules out that site. We will find ourselves back here two years from now starting over again.

What we want to see happen, which the Environmental Assessment Act will allow to happen, is for several sites to be taken right through the process. Does the minister not think it would make much more sense to end up with in-depth studies of four or five sites two or two and a half years from now than to end up with an in-depth study of one site as is at present being proposed?

Hon. Mr. Norton: No, I do not. The honourable member should look at what actually has transpired within the past year. I am obviously concerned about the passage of time, as he is. But the bulk of the time since the announcement by my predecessor of the establishment of the Ontario Waste Management Corporation about a year ago has been taken up by establishing the corporation, establishing the tribunal which would hold the public hearings and staffing the corporation. It took some time, as I understand it from speaking with people associated with the corporation, to make sure we had the appropriate staff on board.

In terms of the actual work on the site, there was some delay during this past year. I would say there was a delay of perhaps two to three months at the maximum. That related to the finalization of the negotiations with the remaining land owners in the area, those who in some cases had retained small parcels of land with the buildings, having sold their farms back in the early 1970s. Close to the end, those negotiations became more protracted than had been anticipated. This is not uncommon in those kinds of negotiations.

There was a loss of time over this summer of two or two and a half months. This meant that, given the commitments made by Dr. Chant and by my predecessor that we would not have hydrogeologists on the property until the negotiations were completed, it was almost the end of September before the hydrogeologists were able actually to get on the land.

The determination that has been made with respect to that, the work done by the hydrogeologists that led to this determination, took place in a period of about two months. I suggest that is a prompt response in terms of getting the appropriate information before the

board of the corporation. I would anticipate there would be little time lost.

I hesitate to speculate, but I think that in the next three months the corporation will be well on its way to narrowing down the sites it is examining. We will find the perception of a year's delay is really quite an erroneous one because whatever we did the first step had to be to establish the corporation, whether we were going under the Environmental Assessment Act or not. That was what took the bulk of the time this year.

Mr. Smith: A supplementary question, Mr. Speaker: Will the minister not admit that, when we asked why he would not use his own Environmental Assessment Act in the South Cayuga matter, we were told repeatedly it was because it would require that other sites be looked at? Does he not now wish that other sites had been looked at, so that at least that aspect of the work would already have been done?

Why would he continually arrange for exemptions? He spoke of classes of exemptions. If one includes those classes of exemptions there have been 916 exemptions. If he wants to talk about those, why would the minister continually exempt such major projects from his own Environmental Assessment Act? This is opening himself up to criticism that he is playing politics with the choice of these sites, when Dr. Chant says he is going to do as good an imitation as he can of the procedure under that act.

Why do an imitation? Why not use the legislation that is there and follow a policy that is obvious to everybody and, instead of an imitation, do the real thing?

Hon. Mr. Norton: Mr. Speaker, the answer to the first two questions in that series is, no, I do not regret the decision. That was the second question. I have forgotten the first but it was related to the second and the same answer applies to both. I do not regret it. I still have confidence in the process.

3:10 p.m.

With regard to the latter part, I think he may have misunderstood what Dr. Chant said. I am basing it on the reportage from the press conference. I was not present, but it is my understanding he made reference to applying the definitions of environment found in the Environmental Assessment Act. I have not heard that he made any statement about trying to emulate as much as possible the procedures under the Environmental Assessment Act. If he did, he has not communicated that to me.

COW-CALF STABILIZATION PAYMENTS

Mr. Yakabuski: Mr. Speaker, I have a question for the Minister of Agriculture and Food. A number of times during the past months, knowing many of our farm people are having a rough year on the land for various reasons, mostly because of high interest rates made in the capital city, there have been times when I am sure he and his staff have been giving consideration to instituting a cow-calf program to assist farmers. Where does that proposal stand at this time?

Hon. Mr. Henderson: Mr. Speaker, the government has been giving serious consideration to a stabilization payment for cow-calf operations in Ontario. We have one major problem. The people who were in the House earlier this year will remember I had a report that the government of Canada was going to reduce the payments we had made to the hog producers. They called it top-loading and they were not going to permit it. We convinced the government of Canada it should permit that. The federal Minister of Agriculture, Mr. Whelan, made it quite clear to the provincial ministers—

Mr. Smith: You can afford an oil company.

Hon. Mr. Henderson: The member should wait and hear the truth. He should not go off with his ideas—

Mr. Smith: Tell the farmers they now own one-quarter of an oil company.

Mr. Speaker: Order.

Hon. Mr. Henderson: They should wait and get the true facts. The party they are associated with caused a bit of the trouble.

The government of Canada has said no to top-loading. They made it clear at the provincial ministers' conference in Alberta this summer. We have had our economists working on the cattle prices being received by farmers this year. We believe there will be some federal stabilization for beef producers next spring.

The problem we are faced with is that, under the policies of the government of Canada, if a calf that gets stabilization from us qualifies and is sold for beef during the federal stabilization, they will deduct it from the payment at that time next spring. We hope this can be overcome. We hope the government of Canada will not penalize the farmers of Ontario the way it has been doing in the past.

The member for Renfrew-South has brought this to my attention. I want him to know, and I

want all the members to realize our government is concerned. We are working on it. We hope to resolve this, but the party over there could be helpful by contacting our colleagues in Ottawa to try to get them to remove that clause.

Mr. McKessock: Mr. Speaker, I assume the minister is aware Saskatchewan has just completed a cow-calf program and that it is not waiting to see what the federal government will do. I assume the minister would feel that, since the federal government has not announced the plan thus far, it will not be for 1981. Does he not feel he could move ahead now with the program for Ontario for the 1981 crop?

Hon. Mr. Henderson: Mr. Speaker, the honourable member does not understand the federal government's plan. Beef cattle are listed under that plan once the price goes low enough. Then they are automatically covered. There is no announcement; it is automatic. I have just said I believe—

Mr. McKessock: Automatic?

Hon. Mr. Henderson: It is automatic. It is under the legislation. It is the main product. It is set at 90 per cent of the past five years' prices; below 90 per cent of the past five years' prices with increased costs. It is understandable those members cannot understand it because they do not understand the farm.

The member for Grey (Mr. McKessock) brought this question up, but other members would like to know that \$8.5 million of our beef stabilization has been paid to the three counties of Grey, Bruce and Huron.

AIR POLLUTION

Mr. Ruprecht: Mr. Speaker, I have a question for the Minister of the Environment.

An hon. member: Ruprecht for leader.

Mr. Speaker: Order.

An hon. member: He's getting a lot of support on the left.

Mr. Ruprecht: Yes. A lot of support there. Thank you very much.

Mr. Speaker: Does the member for Parkdale have a question?

Mr. Ruprecht: The residents in the junction triangle area of Parkdale have been complaining about odours and pollution from the Anchor Cap company for over a decade, as the minister realizes. Since the Anchor Cap company has duped his ministry for years into allowing it exemptions and extensions in their control order to clean up emissions, would the minister

assure this House that instead of placing a control order on the company to abate its emissions an order in council will be imposed on this company under the Environmental Protection Act to ensure that their pollution abatement equipment is installed by May 31, 1982?

Hon. Mr. Norton: Mr. Speaker, as the honourable member knows there has been concern in the junction triangle not just about Anchor Cap but about others as well over a considerable period of time. Having been the alderman from that area, he is probably quite familiar with it. As far as—

Interjections.

Hon. Mr. Norton: Oh, he was not the alderman for that area?

Mr. Ruprecht: Mr. Speaker, on a point of order: The minister should realize I have never been an alderman in that area. So let us get the record straight.

Hon. Mr. Grossman: Not only was he not the alderman, but he did not know about it.

Mr. Speaker: Order. Will the minister just reply briefly, please?

Hon. Mr. Norton: I shall try, Mr. Speaker, to keep it very brief.

I think the honourable member is aware we have prosecuted Anchor Cap and that there was an appeal board hearing this fall. We are in the process of determining what the appropriate next action is with Anchor Cap. I hope the member will recognize that, as a result of our efforts there, effectively state-of-the-art abatement steps have been taken by those for whom they exist, and a considerable effort has been made by some of the companies there who were contributing to the problem to reduce their emissions. Part of the problem, of course, is that some volatile substances defy effective abatement measures.

REPORT

STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Mr. Harris from the standing committee on resources development presented the following report and moved its adoption:

Your committee begs to report the following bill with certain amendments:

Bill 7, An Act to revise and extend Protection of Human Rights in Ontario.

Report adopted.

Mr. Speaker: Shall the bill be ordered for third reading?

Ordered for committee of the whole House.

INTRODUCTION OF BILLS

DISTRICT MUNICIPALITY OF MUSKOKA AMENDMENT ACT

Hon. Mr. Bennett moved, seconded by Hon. Mr. Wells, first reading of Bill 172, An Act to amend the District Municipality of Muskoka Act.

Motion agreed to.

3:20 p.m.

ATLAS HOTEL COMPANY LIMITED ACT

Mr. Rotenberg moved, seconded by Mr. J. M. Johnson, first reading of Bill Pr41, An Act to revive the Atlas Hotel Company Limited.

Motion agreed to.

MOTION TO SUSPEND NORMAL BUSINESS

Mr. Cassidy moved, seconded by Mr. MacDonald, pursuant to standing order 34(a), that the ordinary business of the House be set aside so that the House may debate a matter of urgent public importance, namely the resolution to amend Canada's constitution, now before the Parliament of Canada, and the need for positive action by the government of Ontario in order to ensure that the Constitution Act recognizes and protects aboriginal rights, that it give an unqualified guarantee of women's rights and that section 133 of the British North America Act be applied to Ontario.

Mr. Cassidy: Mr. Speaker, this notice was given to you, in accordance with the rules, prior to 12 o'clock.

Mr. Speaker: I would like to advise all members that the notice of motion was received in time and does comply with standing order 34. I will be pleased to listen to the member for Ottawa Centre for up to five minutes as to why he thinks the ordinary business of the House should be set aside.

Mr. Cassidy: I would assume, Mr. Speaker, that the government would agree with us that this matter is of obvious public importance. Next to the economy, there is no other issue of such importance to the long term future of our country than the constitution before the Parliament of Canada right now. Its urgency also, it seems to me, is unquestionable.

The constitutional package was presented to the Parliament in its final form or in its penultimate form was just three or four days

ago. On the weekend we learned the Prime Minister has set a deadline of Tuesday night, an arbitrary deadline, before which time he hopes to hear from the premiers as to whether they are prepared for changes with respect to the questions of aboriginal rights in section 34 and women's rights, the equality between men and women clause, in section 28.

The fact that there is a deadline lends added urgency to this debate. I believe the government thought we might have a discourse on the constitution in this Legislature sometime in the future, maybe after we saw the people from Suncor. By that time it will be too late; this matter must be debated today if there is to be any input at all from the opposition parties.

Apart from comments made in this House after the Premier's conference, the only clarification of the government's position we have had has been by means of debates such as this one or questions which we have been able to put in the Legislature. This is the first time we will have had to have a debate.

We, on this side, find it unacceptable that the basic and fundamental rights for women and native people have been excluded from the proposed constitution. We believe it is urgent to make every effort possible to see those sections that were taken out—sections originally put into the act because of the efforts of the federal New Democratic Party, and I am proud of their efforts—are restored and not in any watered-down version as proposed, for example, by the Premier of Alberta.

I know the Premier has suggested this government is prepared to see these rights included and I applaud him for that. However we would like to see clarification as to exactly what it is the government is proposing to bring in.

There is, however, a third part of this motion, which I believe is also urgent to be debated now. If it is true the act will be locked up in terms of any further changes by Tuesday of this week, then I think the question of what we do in terms of recognizing the difficult situation the country finds itself in now with respect to the isolation of Quebec should also be ventilated in this Legislature.

This motion says Ontario should also act to ensure that section 133 should be applied to Ontario. I cannot understand how the Premiers of the west, "the gang of eight," could compromise on the question of rights, how the Prime Minister of Canada could compromise with respect to his charter of rights, how even the Premier of Quebec could compromise with

respect to the veto Quebec has traditionally enjoyed in constitutional matters—and he did do that, even though he is not in accord with the whole charter—yet here in this province we continue to have a Premier unprepared to see any means possible by which he could agree to section 133.

Last week the Attorney General got up in the Legislature and said the changes now being made in the courts will ensure every criminal court in the province will take criminal trials in French as well as in English. He said 83 per cent of the francophones in the province will now have access to civil trials in French and it is only a matter of time before that becomes 100 per cent. One can give credit to the government for being prepared at last to act in terms of implementing what is in section 133.

Dans cette législature, on a le droit de parler en français et en anglais, les deux langues officielles du Canada. But the fact is that section 133, which would apply French in our courts and would give that right in our Legislature, has symbolic importance as well.

We need to be reaching out to Quebec even now, when Quebec find itself isolated, and to be saying that in every way possible Ontario will extend leadership, will show it is prepared to ensure that French-Canadians are a part of Canada, that the promises it made at the time of the Quebec referendum will be implemented by this province. That is why it is so vital that we have a chance this afternoon to discuss how section 133 could be applied to this province. I think it is time Ontario took its place with the other bilingual provinces of the country, with Quebec, Manitoba and New Brunswick, and acknowledged the very simple but symbolic obligations of section 133. There is still time if the government is prepared to act now.

Mr. Smith: Mr. Speaker, to put the matter briefly, since the Prime Minister of Canada has said he expects to have discussion wound up and a resolution dealt with tomorrow evening, if I am correct, then there is a certain reasonableness in the NDP leader's view that there is an emergency of sorts, if we are going to speak on the matter. In other words, if we are going to discuss this once it is a fait accompli, I suppose that would be interesting, but it is not of great pertinence to the actual actions of parliament.

If we think a resolution or discussion in this chamber could in some way influence the House of Commons, which is a very questionable assertion or assumption, then such a discussion ought to be held now rather than

after the matter has been dealt with by the federal government. Obviously the earliest possible moment would be the best, if we hope to have any influence. So in that sense we have no trouble supporting the idea of having a debate now on the constitutional matter.

The resolution presented by the member for Ottawa Centre has three parts to it. I want to deal briefly with the portion dealing with minority language rights, but I think these rights are very important. Unfortunately, they are simply not on the table as far as the federal government and the provinces are concerned. There is nothing we can say here that is going to allow the reopening of that subject in terms of the constitution and, therefore—regrettably as we may believe the situation has developed—we have little choice but to accept that it is simply not going to matter and it is academic what we say here.

We should be a little worried about the heading in *La Presse* today, brought up by my good friend the member for Prescott-Russell (Mr. Boudria). I would advise the Premier to understand what is going on. If I may put the matter bluntly on the subject of French language rights, Quebec has a record that is poorer than Ontario's in the area of having brought in certain limitations with regard to education and with regard to certain aspects of Bill 101 regarding signs and so on. But Quebec's record of treating its minority is far better than that of Ontario in every other aspect of minority language rights and services.

3:30 p.m.

The Premier has admitted publicly on the front page of *La Presse* that his actions were taken to cut down the effect of Bill 101. He is unwilling to do anything, even something as mild as the member for Ottawa East's bill, other than handing out some services from time to time, as a gift. While he is unwilling to do anything to make up the other deficiencies that exist on this side of the border I think Ontario's position is undermining the unity of the country. That will become clear as the fight goes on in Quebec.

Mr. Lévesque may not have asked for this at the Premiers' meeting because, frankly, he does not want it. He prefers to have ammunition with which to break up the country. Unfortunately Ontario is giving him that ammunition.

On the subject of women's rights, I find it absolutely incomprehensible that we should be at the verge here in 1981 of declaring ourselves to have a new constitution—a constitution in

our own country—with a charter of rights, and yet half of the population will not have their rights respected. In this day and age it is reprehensible that women should have to even fight to be regarded as having rights equal to other citizens. I find it inconceivable there should even be discussion on the matter. I also find it inconceivable that we should even be having to debate it, let alone that there should be serious opinion against having that position entrenched in the charter.

To the credit of the Ontario government, it has been in favour of this. Probably there is little we can accomplish in our discussion here, other than to say all of us agree with Ontario's position. Perhaps the NDP leader would take a moment after he has had a chance to speak here and call Premier Blakeney and let him know it is inconceivable that anybody as reasonable and as intelligent as he is—or that anybody else for that matter—would be against having women's rights in the constitution.

I would suggest further to the members opposite that when it comes to treaty rights and aboriginal right for our people, the first Canadians, the people who have been treated shabbily over the years, have every right to complain of what is their lot today—the poverty, the social disruption, the lack of health facilities, the lack of housing facilities. These people deserve to have their treaty rights respected. They deserve to have aboriginal rights respected. It should be entrenched in the constitution of Canada, and although Ontario has taken that position I wish they could be a little more forceful about it.

Why does the Premier not call Peter Lougheed and tell him what he thinks. Pat Kinsella, his friend who ran his highly-principled campaign in the last election, is now advising Premier Bennett. Call him and tell him to tell Premier Bennett to recognize the aboriginal rights.

Mr. Speaker: Order.

Hon. Mr. Wells: Mr. Speaker, I would like to comment for a few minutes on the motion put forward by my friend. There is no question this is a matter of great public importance at the present time. It is a matter of importance to all the members of this House, and it had been our intention that this would be debated in a regular, proper, formal debate, with a motion on the Order Paper. This would be a motion which, of course, could be amended if desired by the House. In that way all members of this House would have notice of that debate and would have an opportunity to take part in what would be one of the historic debates of this House.

We have been, and are working on that proposition. I would submit to members that the debate will probably start next week if the House leaders can so schedule it. The matter with this resolution is that there is a certain degree of urgency this afternoon to have this debate. That urgency is based on the fact there are three things in this resolution. I draw to members' attention that there are a multitude of other things in the constitutional resolution—things that were settled through what we term in this House a good old Canadian compromise. If the leader of the NDP had through some misfortune been Premier of this province we never would have reached that compromise, because he is not that kind of person.

The kind of thing that happened with the Premier as leader, the kind of compromise that allowed us to arrive at the point where we have guaranteed minority language education in the constitution in the nine provinces of this country—and we all regret it is not in the tenth province—and the kinds of things that have happened are a great credit to all those people who took part in that conference.

In so far as women's rights are concerned, it must be said that this province stood with only one other province and the federal government in support of the inclusion of those rights that women are entitled to. The province of Saskatchewan did not support the resolution with women's rights in it.

Mr. MacDonald: After the federal caucus took a firm position to put them in.

Hon. Mr. Wells: I want to say to my friend it is not a cheap shot that the Leader of the Opposition (Mr. Smith) took against the Premier of Saskatchewan. It is something all of us deeply and sincerely regret. A man of the stature and calibre of the Premier of Saskatchewan should be the last person standing in the way of the inclusion of women's rights in the constitution.

Mr. MacDonald: That's a cheap shot.

Mr. Cassidy: Talk about French rights.

Mr. Speaker: Order.

Hon. Mr. Wells: The position of Ontario is very clear in all our communications. We want full rights for women in the constitution. We want aboriginal rights in the constitution. That has been made very clear. That particular discussion is going on at present. Whether or not a debate is held today, I submit it is not going to influence or diminish our fight on behalf of

everyone in this Legislature to make sure that women's rights and aboriginal rights are in that new constitution. I can guarantee that to the members of this House.

Mr. Martel: What about francophone rights?

Mr. Speaker: Order.

Hon. Mr. Wells: Section 133 was not discussed at the conference in the first week of November. It is not something on the table or being discussed at this time. There will be ample time for a complete discussion of that matter in the future as there has been in the past.

I submit that we do not need this emergency debate today. The matters outlined in the motion are being handled adequately on behalf of all members of the Legislature. What we do need is a full and proper debate on the total constitutional package, which I guarantee will be put forward by the government.

Mr. Speaker: I have listened carefully and with great interest to the honourable members of all parties, and I find the motion to be in order. I find there is a measure of urgency to be addressed.

4:10 p.m.

The House divided on Mr. Cassidy's motion, which was negatived on the following vote:

Ayes

Boudria, Breaugh, Bryden, Cassidy, Charlton, Conway, Cooke, Copps, Cunningham, Di Santo, Eakins, Elston, Grande, Haggerty, Laughren, Lupusella, MacDonald, Martel, McClellan, McKessock;

Miller, G. I., Newman, Nixon, Peterson, Philip, Riddell, Ruprecht, Ruston, Smith, Swart, Sweeney, Van Horne, Wildman, Worton, Wrye.

Nays

Andrewes, Ashe, Baetz, Barlow, Bennett, Brandt, Cousens, Cureatz, Davis, Dean, Drea, Eaton, Fish, Gordon, Gregory, Grossman, Harris, Havrot, Henderson, Hennessy, Hodgson, Johnson, J. M., Jones, Kells, Kennedy, Kolyn, Leluk, MacQuarrie, McCague, McLean, McMurtry, McNeil;

Norton, Piché, Pollock, Pope, Ramsay, Robinson, Rotenberg, Runciman, Scrivener, Sheppard, Shymko, Stephenson, B. M., Stevenson, K. R., Taylor, G. W., Timbrell, Treleaven, Walker, Wells, Williams, Wiseman, Yakabuski.

Ayes 35; nays 53.

ANSWERS TO QUESTIONS ON NOTICE PAPER

Hon. Mr. Wells: Mr. Speaker, I wish to table

the answers to questions 169 and 245 and the interim answer to question 241 standing on the Notice Paper. (See Hansard for Friday, November 27.)

ORDERS OF THE DAY

House in committee of supply.

ESTIMATES, MINISTRY OF REVENUE

Mr. Chairman: We will wait for a moment until the House settles down.

Mr. Ruston: Until everyone leaves.

Mr. Chairman: Until everyone leaves; that is right. Traditionally, we have an opening statement by the minister. Do you have an opening statement?

Hon. Mr. Ashe: Yes, I do have a rather short opening statement that might take a few minutes.

Mr. Chairman: I am wondering if by chance I might have a copy, along with the critics for the ministry, or do the critics have a copy?

Hon. Mr. Ashe: They are being distributed just now. We did not want anybody to get these words of wisdom in advance of the event.

Mr. Chairman: I see. You are so considerate. We appreciate that. Have you accommodated by providing me with a copy?

Hon. Mr. Ashe: I will have one sent over to the chairman of the committee.

Mr. Chairman, I am pleased to have this opportunity to present the Ministry of Revenue's 1981-82 estimates. Before commencing with the detailed examination of the estimates, I want to review with the committee some of the significant developments that have occurred over the past year. The first is the ministry reorganization.

In January 1980, my predecessor, the Honourable Lorne Maeck, announced a restructuring of the ministry to meet increased demands placed upon its resources. This significant reorganization is now complete and is reflected in a changed vote and item structure for these estimates. I want to outline to the honourable members some of the more important aspects of the changes.

The Ministry of Revenue's organization remained basically unchanged since its inception, and work loads have increased steadily. For instance, the number of taxpayers served by the ministry has grown at 10 to 12 per cent annually. Alongside this, the scale and the consistency of our operations have grown dramatically in

terms of the introduction of new transfer payment programs, new taxes and increased use of tax changes and incentives for fiscal policy purposes. Staffing levels had remained fairly constant. As a result, management and support systems had become increasingly strained.

In restructuring the organization, attention was paid to meeting government priorities of improving productivity, customer service and deregulation. It was also necessary to plan for the smooth transition to Oshawa in 1982.

The new organizational structure of the ministry is shown in a chart in the briefing material provided to members. This chart will be useful to members in following my remarks.

To improve the effectiveness of the branches within the tax revenue program, common functions such as revenue collection, data entry, research and information dissemination were centralized. These were consolidated in the new tax system operations and design division. This division became fully operational this year and includes the revenue and operations research branch and two new branches, the taxpayer services branch and the taxation data centre.

4:20 p.m.

I wish to pass on to the critics another guide the ministry introduced fairly recently, A Guide to the Ontario Ministry of Revenue, which has been made available to assist people, members and others, in identifying the areas within the ministry. I think it has proven to be exceedingly beneficial. I want to send a couple of copies across to the critics.

Mr. Haggerty: How come your picture isn't there?

Hon. Mr. Ashe: Always on the basis of conserving money.

The taxpayer services branch is responsible for information services within the tax revenue program, indirectly by providing advice and services that help individual branches communicate with their clients, and directly by talking to taxpayers and answering their questions.

I appreciate that the member for Oshawa (Mr. Breaugh) is not the critic but, since the critic is not here, he has the most local interest, I guess, in terms of Oshawa.

Mr. Breaugh: Bless you.

Mr. Chairman: Wait a minute. Let's be more specific. He is not the only member who has an interest; there is another member.

Mr. Breaugh: I believe he spoke right on.

Hon. Mr. Ashe: Of that party, Mr. Chairman.

Mr. Breagh: Of any party. It's well known.

Hon. Mr. Ashe: An important part of the branch's customer service effort is answering questions from the public through their multi-lingual telephone information centre and walk-in public inquiry centre. Fluent in 18 languages, telephone representatives handle approximately 400,000 calls each year. The centre was established in 1974, and since that time staff have provided detailed information on statutes administered by the tax revenue program.

On this note, I should acknowledge some of the problems experienced in our telephone information centre during the recent Ontario tax grant application process. The members are aware that for several weeks our telephone lines were overloaded, and in some instances people have experienced long waits or have had to call several times before getting through.

This has occurred despite our best efforts to improve our service. That is, on the basis of our experience since the Ontario tax grant program was introduced in the fall of 1980, we increased and improved this service in a number of ways. For example, the number of telephone lines devoted to the program was increased from 26 to 29 and the number of trained inquiry officers from 26 to 34; computer-based systems were introduced to speed up the processing of applications and access by telephone guides to file information relating to individual applicants' inquiries; and additional staff were assigned to man the ministry's walk-in inquiry and assistance office on Bloor Street.

However, these improvements were the maximum possible, given the physical and technical limitations of our present location. Considerable investment would be required for us to move significantly beyond these limitations, and such an investment would not be justified in view of our impending move to Oshawa. Consequently, funds have been allocated to greatly expand and improve capacity in our new plant in Oshawa.

But customer service, of course, extends beyond the telephone. The taxpayer services branch also mounts exhibits for trade shows and provincial exhibitions. Additionally, it provides speakers for numerous community groups throughout the province and for radio and television interviews.

The taxpayer services branch, in conjunction with the ministry's communication services, advises tax revenue branches on communications strategy and assists in the carrying out of

programs by writing, editing and designing material for all media.

Another integral branch activity is liaison with professional tax advisers. Through its activity in this field, the branch is able to inform consultants and their clients about the background and intent of ministry statutes and regulations and, in turn, it receives their opinions. In very general terms, the taxpayer services branch works hand in hand with the various tax specialists to provide immediately accessible and readily understandable customer service for the tax revenue program.

The second new branch within the tax system operations and design division is the taxation data centre. As the focus of the ministry's electronic data processing network, it is responsible for storing and controlling data. It also makes the stored information available to the other branches within the tax revenue program.

The centre does the initial handling of corporations and sales tax returns, processes all tax receipts and remits funds to the Treasury. It handles nearly two million tax returns annually, which represent more than \$6 billion in deposits.

The overriding concern of the centre is to process returns as quickly as possible to maintain revenue at a maximum. On a given day, for example, more than \$50 million may be processed and passed on to the Treasurer (Mr. F. S. Miller) for deposit and investment within 24 hours.

In addition to the rapid processing of returns, the centre uses electronic data processing to review the accounts of taxpayers, beneficiaries and tax agents to ensure they are accurate and up to date.

As well as handling the accounting and banking of all taxes remitted to the ministry, the branch has taken on a central role in the administration of the new Ontario tax grants for senior citizens' program. This year, on behalf of the guaranteed income and tax credit branch, the centre processed more than 500,000 property tax grant applications and more than 800,000 sales tax grants. Similarly, it took over the processing of applications for the light truck and van rebate program administered by the retail sales tax branch. In April, the processing of nearly 50,000 farm refund claims was transferred from the motor fuels and tobacco tax branch to the taxation data centre.

A notable achievement this year was the data centre's role in encouraging the establishment of a tax banking processing plant in Toronto. I am proud to say the branch was the driving

force behind Ontario's new tax banking system. This system allows taxpayers to pay their corporations and retail sales taxes at any chartered bank in the province.

The success of this new service is well demonstrated by its use by taxpayers and particularly by small businessmen. For example, in October, 30 per cent of our total retail sales tax revenues were remitted through tax banking, along with 17 per cent of total corporation tax revenues.

An added advantage of this system is, of course, that it provides valuable alternatives to relying on the postal service. During the strike in July, use of tax banking increased dramatically to account for 65 per cent of retail sales tax revenues and 38 per cent of corporation tax revenues.

During the prolonged postal strike last summer, it was impossible to mail sales tax and corporations tax returns. To enable taxpayers to take full advantage of the tax banking system, the branch co-ordinated a plan to reproduce remittance forms in newspaper advertisements throughout the province. This emergency action was instrumental in helping to maintain the ministry's cash flow.

I am pleased to report that as a result of ministry efforts and the co-operation of taxpayers, revenue cash flows during the postal strike were maintained at approximately 85 per cent of normal levels and that since then delayed tax payments have been collected without particular difficulty.

The taxation data centre continues to meet its mandate to increase the ministry's efficiency through the exploitation of the latest developments in technology. By using these new systems, it ensures that taxes are collected effectively and grants are disbursed as quickly as possible to eligible taxpayers.

Members will note the printed estimates of the property assessment program also have been presented in the new organization format. This part of the new organization structure has a number of purposes: to expand our services to municipalities and ratepayers; to improve support to our assessment field offices; and, through the functional grouping of resources in head office, to reduce the number of headquarters staff without loss of efficiency and effectiveness.

The new program structure includes a new policies and priorities branch to provide staff support to the assistant deputy minister of property assessment in three areas: policy and legislation support and liaison with other minis-

tries and municipalities; management training and professional development, including career development planning; and budget planning and management support to all branches and regions, including zero-base budgeting and management by results guidance and evaluation.

The day-to-day management of assessment activities is now the responsibility of the assessment services division and comprises three branches: a field operations branch which manages the 31 regional offices; a special properties branch which is responsible for mass valuation methods for all property types, training in valuation methodology and the defence of complex appeals; and a data services branch which is responsible for the co-ordination, scheduling and production of updates to master files and the printing of rolls, notices and supplementary assessments for all regions and municipalities.

4:30 p.m.

Additionally, the data services branch is responsible for developing new computer systems to promote quality and cost-effectiveness in the annual processing cycle.

With the new organization structure, we are also moving to increased budget and planning activity at the regional office level. This will ensure the best possible use of our limited resources, and members will note from the briefing material that we are down a further 63 positions to 2,174 for the property assessment program as a whole this year. Decentralized management will also ensure the best use of the funding made available to us.

While on the subject of staff, and also as a direct consequence of the policy to expand services to municipalities, we are in the process of realigning our regional support people to relieve the neighbourhood assessors of as much in-office work as possible. This will ensure that assessors spend the majority of their time in their neighbourhoods maintaining the accuracy of the municipal assessment rolls.

The second part of my opening remarks deal with overall resource plans in my ministry's 1981-82 estimates.

As members are aware, since 1975 the government of Ontario has pursued an aggressive constraint policy through a selective reduction in the size of the public service and a close scrutiny of spending in all ministries.

This resource management policy of "doing more with less" has had considerable success, and I am pleased with the significant role that the Ministry of Revenue has played in this

process over the years. I am particularly pleased, in my first presentation of the estimates for the ministry, to be able to outline to members a strong contribution to achieving those important government policy aims in 1981-82.

I wish to draw the members' attention to the human resource summary and the expenditure summary tables in the briefing material. Members will observe that the human resource table describes the planned employment for 1981-82 by major program. The table shows that, overall, the ministry has made plans to increase its level of staffing by 97 man years in 1981-82. I want to emphasize the word "planned" because, as members know, the ministry has for a number of years presented its manpower estimates in terms of maximum staffing potential. This most fairly presents the manpower needs for the consideration of members who will understand that the actual level of staff employed is most likely to be somewhat lower because of vacancies and staff redeployment.

This maximum potential staffing concept is particularly important to the planned increase of 63 man-years for the ministry administration program. The increase mainly arises from the staffing strategies designed to accomplish a smooth transfer of operations to Oshawa in 1982, which in particular must be achieved without disruptions to essential revenue flows and services to ratepayers and taxpayers.

Much of the provision, however, may not be required, as employees move to their new location and as staff is hired and trained to fill the positions of nonrelocating employees quickly and smoothly. I will have more to say on the impact of the Oshawa move later in my remarks.

The other major manpower increase is planned to head the expanded work load and service levels required by Ontario's program of tax grants for seniors. This new program was launched successfully in the fall of 1980, and a full year's staffing needs are included in the 1981-82 estimates for the first time.

Members will notice increased staff levels of 63 man-years caused by the Oshawa move and 117 man-years as a result of the expanded and improved tax grants program. These increases are offset by a planned decrease in employment of 83 man-years brought about by improved management systems and productivity gains in other areas of the ministry. Thus the ministry has held its staff levels to an overall increase of only 97 man-years for 1981-82 while dealing with steady increases in the volume and complexity of existing operations and, at the same time,

implementing a number of important new programs.

The second table in the briefing material to which I want to draw members' attention is the expenditures summary. Members will see that this summary describes the 1981-82 estimated spending and compares it to last year's actual spending by major classification. The table shows that for 1981-82, the ministry's total operating expenditure excluding transfer payments is up by only \$1.3 million over last year. Salaries and benefits are up by a little over \$1.6 million, reflecting in part the higher level of staffing potential that I mentioned earlier. Travel, services and supplies are down by \$300,000 in line with the constraints and economies we have been able to effect.

The result is, despite inflation and higher levels of spending on staff needs for the Oshawa relocation and new transfer payment programs, the total operating expenditure of the ministry has increased by only \$1.3 million or less than one per cent. Even if we were to include potential salary award claims, the increase is a modest 10 per cent. In view of these results in resource management, I consider I am fully justified in stating the Ministry of Revenue continues to exercise real restraint and that its 1981-82 estimates follow the "level-lined" trend established in recent years.

The third section I would like to touch upon in my opening comments deals with resource management techniques for productive results. I have demonstrated that the ministry's estimates are being constrained in line with overall government policy. I would like to explain how that has been managed. For a number of years, the ministry has placed a concerted emphasis on methods to improve productivity. This has enabled ministry managers to constrain operating expenditures in the face of rising costs and continued increases in the volume and complexity of their work loads.

There have been two main thrusts to the ministry's productivity improvement initiatives. One has been in the systematic exploitation of opportunities for investment in computer systems to utilize available manpower resources more effectively. The other series of initiatives has been in the area of improved management techniques for resource planning and control.

Several years ago, it was recognized that management systems had to be improved to ensure the most effective use of our resources and to select and implement measures to improve productivity wherever possible. Con-

sequently, in the last few years, the ministry has been engaged in adapting and developing zero-base budgeting and management by results techniques in line with our particular operating requirements and the government's overall management philosophy.

Very briefly, in our resource management system, the ZBB exercise rations the resources and sets program targets, while MBR reporting later monitors the actual performance during the year. The planning and management systems used by the ministry in preparing the annual estimates are explained in more detail in the manual produced each year to guide managers through the process. In the briefing material provided to members, I have included a copy of the fourth ZBB-MBR manual published by the ministry since 1978. I have also added a copy of our management showcase presentation of the process. I hope members will find these documents are useful in explaining what we have done in the past and what we plan to do in the important area of resource planning and performance review in the year ahead.

The fourth section I would like to touch upon is our tax revenue program application of improved planning for productivity improvement. I spoke earlier about the ministry's use of zero-base budgeting and management by results techniques to reinforce the effectiveness of resource management. These have allowed us to ration scarce resources and set precise targets in planning our operations. Also, we are able to monitor ongoing performance and take whatever corrective action might be needed to adjust operations, in response to changing conditions or to meet revised priorities. In order to achieve the tight financial control and utilization of resources required in an environment of budgetary constraint, the ministry has placed strong emphasis on improved management systems.

If honourable members will now turn to the expenditure summary table for the tax revenue program, vote 802, they will see some of the results of the zero-base budgeting and management by results process. They will notice there is a fairly substantial increase, nearly \$650,000, in the area of services. This increase is due primarily to investment by the various branches in modernizing existing and implementing new computer systems and other technical support facilities.

4:40 p.m.

The tax filer received significant benefit from these improvements. For example, the retail sales tax branch continues to implement phases of its new system that provide vendors with the following benefits: faster service in answering account enquiries via video terminals installed in district offices; availability of more current account information with advent of overnight updating of master files; and third, general improvement in processing time in response to vendor requirements.

It is anticipated the system will increase overall revenues from the self-assessment system due to improved vendor goodwill resulting from positive service and increased credibility in the system. The system will also provide compliance staff with a new set of tools to identify the non-complying population.

The corporations tax branch is also in the process of improving its own automated processing requirements, providing benefits similar to the retail sales tax system. This investment in technological improvement has allowed us to effectively reduce our need to increase staff to deal with steady increases in the volume and complexity of our programs. The zero-base budgeting process has allowed us to monitor the activities in various sectors and deploy our resources in what we see as the most efficient manner.

This tradeoff between investment and staff has resulted in an overall net reduction in staff of 16 man-years in the corporations tax branch and made the reorganization of existing staff more effective.

It has also allowed us to hold the line on the cost of collecting revenue. My colleague, the Treasurer, has estimated that 1981-1982 retail sales tax revenues will approach \$2.8 billion. The cost of collection for \$100 of this revenue will decrease from its 1980-1981 value of 59 cents to 53 cents in 1981-1982. Similarly the cost of collecting \$100 of corporation tax will decrease from 48 cents to 44 cents. I am very pleased with this improvement in productivity and I assure the members that we will continue to work for further gains in 1982.

I would next like to touch upon the Ontario tax grant program. As the Ontario tax grant program for senior citizens continues to have a major impact on ministry operations, I would like to take some time to discuss the program and the current status of processing the 1981 grant applications and the mailing of grant cheques.

This is only the second year the program has

been in operation. Certain difficulties were experienced in 1980, which were expected since it was the first year of a new program of considerable magnitude and complexity. A review of the 1980 operations gave us considerable insight for the 1981 year and enabled us to introduce improvements in order to minimize processing difficulties.

There are three major areas of improvement which I would now like to review. First, the property tax grant application form was redesigned to make it easier to fill out. Last year almost 40 per cent of the applications submitted to us could not be approved at the time of initial processing, mostly because of incomplete information. One part of the form that was particularly troublesome was the section where the senior citizen reported his property tax or rent. This year that section was completely redesigned. The requirement that receipts, or a rental statement signed by the landlord, be submitted with the application forms of senior citizens who rented accommodation also caused significant delays in processing last year. For 1981 that requirement was dropped.

The result of these and other changes in the form together with improvements in instructions for completing the application have reduced the number of deficient applications. Moreover, we expect the number to reduce as our program matures and our clients become more used to its operation.

The second major improvement was that as a result of last year's application processing, post audits conducted by the ministry and direct contact with administrators of senior citizen residences, we were able to identify the vast majority of ineligible residents prior to the 1981 applications. Application forms were not mailed automatically to these senior citizens, as in 1980 when, due to insufficient information and time, these ineligibles were not identified.

Third, we converted this year to a data base system with an online inquiry capability. This enables easier accessing of files and allows us to track the status of applications in process more effectively than we were able to do last year.

I would now like to outline the processing of 1981 property tax grant applications and the mailing of grant cheques. As of November 19, 1981, 518,700 completed applications had been received by the ministry for processing. A total of 399,700 property tax grant cheques have now been mailed to pensioners. We are currently running cheque production updates on a weekly basis. As a result of our update of November 20,

an additional 40,000 cheques will be mailed on November 26, a few days hence. The remaining applications are in various stages of processing. Applications with deficiencies and late filers are being approved at the rate of roughly 10,000 per week. For those senior citizens who turn 65 between August and December of this year, sales tax grant cheques and property tax grant applications will be mailed in January.

The success of the 1981 Ontario tax grant program is attributable in no small part to the comprehensive public information campaign conducted by my ministry. In this connection, I wish to acknowledge the invaluable assistance offered to senior citizens by the members through their constituency offices. Because Ontario tax grants for seniors is a new program and because of the unique nature of the client group, it requires a concerted effort on the part of all politicians and service groups in order to ensure it is understood and that seniors receive their full entitlement. Let me express the gratitude of the Ministry of Revenue to the honourable members for their role in this information process.

The next item I would like to touch upon is something rather close to your heart, Mr. Chairman, the Oshawa relocation. I would be remiss were I not to devote a few moments to a discussion of this ministry's forthcoming move to Oshawa, a massive and challenging undertaking. The movement of staff will certainly be the largest single relocation undertaken by the Ontario government. Altogether it involves approximately 1,300 classified positions and as many as 400 temporary and seasonal staff.

The new building at 33 King Street West is expected to be ready for occupancy by the middle of August next year and will accommodate the entire head office staff of Revenue. In addition, 14,000 square feet of ground floor area will be leased to local retail businesses. A final occupancy plan has been developed which details the summer and fall 1982 move-in period to ensure a smooth transition of staff and operations to Oshawa.

Uninterrupted revenue processing services will be assured through parallel operations for a short time for the taxation data centre in both Oshawa and Toronto. The centre processes an average of \$30 million per day and when its new facilities in Oshawa have been tested the Toronto operation will be discontinued. This is the only ministry program which will be paralleled.

Double banking of key positions, in which the incumbent trains the replacement before leav-

ing the position, is in place to ensure a smooth transfer of operations from Toronto to Oshawa. Rather than hire extra clerical staff for all key positions where the incumbents have indicated their intention to terminate employment with the ministry, several cost-effective alternatives have been identified and developed. These include: identification of suitable back-up staff; systematic training of key position staff under-studies; job rotation programs for existing staff; creating and updating procedures manuals; revised recruitment procedures designed to minimize duration of the vacancy and; to hire contract staff when vacancies occur in non-key areas.

With respect to nonrelocating staff, as many as one third of ministry head office personnel have indicated they will not relocate to Oshawa. The government has pledged itself to assist ministry employees who choose not to relocate. All classified staff was asked for a signed statement of intent in March of this year and the results were as follows: 70 per cent will stay with the ministry; 30 per cent will leave the ministry. The 30 per cent who do not intend to follow their jobs to Oshawa are initially entitled to preferential access to vacancies in Metro Toronto of all other ministries.

4:50 p.m.

Only if no suitable candidate is available will the Civil Service Commission authorize a service-wide restricted competition. I should also mention that advertising job vacancies in Durham region media since September 1980 has yielded nearly 3,000 applications.

Candidate qualifications of Durham applicants are generally excellent although certain skills are in short supply. The success of Durham region recruitment may be seen in the more than 75 classified persons who have been hired from Durham together with more than 50 contract staff. We have established an inventory of Durham region applicants which we can use to speed up the recruitment process as we move closer to the relocation date.

On the subject of community relations, the ministry has developed a number of initiatives to ensure a smooth integration of its presence into the Durham region. The community liaison committee is the most visible of a series of programs and events that have created a community which is highly supportive of the ministry's move. The committee was established in the spring of 1978 and includes senior representatives of municipal government as well as local business and community groups from Durham region.

Our community relations program is designed to assist with the ministry's introduction and integration into the community and to provide Durham residents with information about the ministry's operations, employment opportunities and potential economic impact. Durham citizens generally are being reached through the media, public meetings and promotional displays. Potential suppliers of goods and services are being identified and contacted through the chambers of commerce, service clubs and business associations as well as one-on-one contacts.

The new head office building in Oshawa will be a unique, custom-designed structure that features state-of-the-art technology in energy conservation and efficiency. A conventional office building like the present head office at 77 Bloor Street West consumes approximately 60 kilowatt hours per square foot per annum, but the energy budget for the Oshawa building is expected to be no greater than 10 kilowatt hours per square foot per annum.

The building is seven stories in height, involving floor areas of 43,000 usable square feet per floor. This is approximately one acre per floor. A comprehensive public information service will be provided for taxpayers on the ground floor where the public will be able to conduct all routine business with the ministry.

Mr. Chairman: Usually the Chairman does not intervene in discussions, but if I can speak as the member for Durham East, I want to get it on the record we are appreciative of the ministry's move to Oshawa and of the location your ministry has provided, through staff now in the city, in terms of applications of people seeking employment there.

Hon. Mr. Ashe: Thank you, Mr. Chairman. I am sure your interjections were grossly out of order, but seeing as you are the Chairman I cannot rule you out of order. Your remarks were appreciated and well due.

The next issue I would like to touch upon is the office of the future. As you are aware, in announcing the creation of the Board of Industrial Leadership and Development, BILD as it is more commonly referred to, the Premier (Mr. Davis) indicated the Ministry of Revenue would work with private sector suppliers to produce a Canadian-built office of the future in the new ministry headquarters in Oshawa.

In addition to providing a showcase for Canadian manufacturers, the new facilities in Oshawa will also afford the ministry an oppor-

tunity to continue its policy of employing technology to increase productivity and cope with growth in work loads.

This new initiative is consistent with a series of goals and objectives the ministry identified in 1977 for the period leading up to the relocation to Oshawa in 1982. In this plan, we indicated application of new technology and improved staff utilization as important areas of emphasis for future development within the ministry.

The Ministry of Revenue has always been in the forefront and a leader in the government in utilizing recent advances in technology to perform its function more effectively and efficiently.

This summer, the ministry staff prepared a plan to implement the office-of-the-future concept in Oshawa. The plan identified policy issues and direction for the subsequent design and implementation phases of the project.

The concept proposed for Oshawa will include communicating word processors, electronic mail and messaging, integrated work and data processing and managerial and professional work stations. These advanced tools will help us to further automate routine functions and redeploy staff to deal with those tasks that require greater human judgement.

In addition, the increased capabilities for the generation, management and retrieval of information will assist professionals and managers in making timely and accurate decisions. The net effect will be to increase productivity in ministry functions and to enhance service levels to taxpayers and other ministry client groups as well as to provide a stimulus to Canadian manufacturers.

I would now like to move on to the property assessment program of the ministry. By referring to the financial data table and the comparison between 1981-82 and 1980-81 data for the assessment program in the briefing material, members will see that in spite of inflationary pressures, the total estimates for assessment have only increased by \$4,200 on a \$62 million budget. This means that inflationary pressures have been absorbed by the program, and this is evident in the reduction of manpower by some 63 man-years and in the real reductions in spending on services which the program has budgeted.

I have made several references to the application of zero-base budgeting in this review of my ministry, but I think one further comment is in order. The property assessment program has the largest administrative budget of any pro-

gram in my ministry; it is also the most decentralized program. For the program to be able to constrain expenditure to the degree it has through the use of zero-base budgeting and in view of the fact it involved separate evaluations in some 36 cost centres is a demonstration of the value and power of the ZBB process.

I believe the decision taken by the program, as part of the reorganization I referred to earlier, to strengthen its own budget and planning capability and to increase regional responsibility for budget planning and management, has been totally justified. Furthermore, the printed estimates before this committee were compiled on the assumption that the province would be subjected to a full enumeration process in 1981.

We recently passed through this House amendments to the Assessment Act to undertake enumeration during municipal election years only and to simplify the designation of school support. These changes were recommended to my ministry by the municipal advisory committee on data services, which comprises representatives from the associations of municipal tax collectors, municipal clerks and treasurers, school board officials, separate school business officials and the Association of Municipalities of Ontario.

The substantial funds released as a consequence of this proposal are being redeployed in our efforts to get 1980 market value data established on an accelerated basis for 1982, to improve the speed with which supplementary estimates are delivered to municipalities in the current year and to improve the operation of province-wide open houses, which we operated last year for the first time. In fact, it is my intention to double the number of open houses this year to provide greater accessibility by ratepayers. I believe the availability of assessment staff through the open house process is a demonstration of our willingness to assist ratepayers in understanding their assessments. If we are successful—and I believe we will be—we will be able to reduce ratepayer appeals to the assessment review court substantially.

The property assessment program made a decision this month to commence work on a new generation of computer-based assessment systems. The application of up-to-date computer technology will permit the property assessment program to further improve its productivity and to bring closer the day when municipalities can have direct access to our assessment data base and thereby improve their

own efficiency. The development of a new computer system of the magnitude and complexity associated with the assessment program will take several years, and members will appreciate that only the preliminary work is likely to be completed in the current year.

In order to achieve maximum productivity from the existing system until such time as the next generation system becomes available we are installing new data entry equipment in all our regional offices. The availability of this equipment has permitted us to make changes to our regional office staffing to improve regional productivity in the next year or so.

5 p.m.

This fall we will implement the section 86 program in approximately 100 municipalities. It is worthwhile noting at this time that we have reassessed 247 municipalities in Ontario under section 86, and another 138 municipalities have been reassessed to market value by proclamation. It is our intention to continue offering the section 86 program on a voluntary basis, and in order to maintain equity, to encourage municipalities already on section 86 to update their rolls on a regular basis.

Support for the section 86 program has come from a number of organizations, including the Association of Municipalities of Ontario and the Ontario Federation of Agriculture. We have a responsibility to offer the section 86 option and also to develop it to the next stage to provide equity in the apportionment of regional, county and educational levies. This is an aspect of section 86 which my staff is now working on.

In order that municipalities may be assisted in making their long-term plans, I announced this summer the property assessment program will be moving to a four-year cycle in which the next market value base year is 1980. The 1980 market values will be available to municipalities on request in 1982 for 1983 taxation. With this four-year cycle, 1984 will follow as the next assessment-base year.

The concept of a four-year cycle will also assist the planning process in the regional offices of the property assessment program. They will now be able to plan their property inspection cycle with known deadlines for completion and better utilize the scarce resources available to the program.

This concludes my introductory remarks on the 1981-82 estimates for the Ministry of Revenue. I hope they have been of assistance to members in explaining some of the main ele-

ments and features of the ministry's operations as expressed by these financial accounts. I shall be pleased to provide further information in response to the questions I am sure will be asked during the proceedings.

Mr. Haggerty: Mr. Chairman, I wish to respond to some of the issues the minister put forward in his rather lengthy opening statement today. I do not think he covered many of the issues facing our economy. The minister did include zero-base budgeting, the BILD program and the changes in the property assessment branch but otherwise there is nothing new.

I thought the Minister of Revenue—being the great tax collector he is and representing his colleague the Treasurer (Mr. F. S. Miller)—would be coming forward with some new ideas and approaches in resolving the issues facing our economy. We are in a recession here and this government is not concerned about it. It is not concerned about high unemployment and the number of industries closing their doors day after day.

I was interested in an article in the *Toronto Star* on November 20, 1981: "Davis Urges Switch on Economy." With those headlines I thought the minister would be coming in with some great new ideas to revive a lagging economy. But there is nothing in his statement today that says we will see some tax changes.

Last spring the minister brought in the substantial increase in personal income tax and the ad valorem tax which we know will bring in additional revenue to the ministry of some \$7 billion until the year 1985. There may be a shortfall to the province of \$11 billion, as the Treasurer has stated, but I do not think he can overlook the additional tax revenue generated by the ad valorem tax. This had some bearing on the present situation in the automobile industry, for example.

The Treasurer came in and said they were going to give a sales tax break on the purchase of 1981 model cars. The member for Kitchener-Wilmot (Mr. Sweeney) raised the question this past week about the problem of cars coming in from Quebec and similar places; this is another area where Ontario is noted for allowing the dumping of products from other provinces. Sometimes it can cause some discomfort to the persons and the recipients or, in the long run, the automobile industry. Although it may get rid of the 1981 models, there is going to be a serious problem in selling the 1982 models.

I do not have to tell the minister the serious situation the automobile industry is in today.

There are going to be thousands of people laid off in that industry. I do not think they will be re-employed later in the year.

If we look at the policy of this government over the past years, which has been to base its budgeting on the American economy, then I say there is little hope for Ontario to get out of this recession for the next 14 months.

We can blame it on high interest rates, but the government is at fault in that area too. The minister nods his head; does he mean yes or no? I do not know just what he means by it. He cannot exclude himself in this area of responsibility.

"Divorcing Canadian interest rate policy from United States rates and creation of national economic policy should be priority goals for the federal government," the Premier (Mr. Davis) is quoted as saying. But he says nothing about what he has to offer. He is right in what he is trying to say but, according to the *Financial Post* this past week, this government sold bonds on behalf of Ontario Hydro. We can rest assured that many of them were sold on the American side; we are exporting dollars to our neighbours in the south. With the high interest rates, they are going to jump on the bandwagon and buy these bonds at the higher rates.

If the government wants to control the economy here, then it is going to have to look to other measures for solving our economic woes. It cannot be done by the tax increase measures put forward by the Ministry of Revenue.

This party suggested to the ministry last spring that if it wants to have a turnaround in the economy and make it grow, then it is going to have to put dollars back into the consumer's pocket. There is no other way this government, or the federal government, can turn it around. It is the consumer who can do that. For some unknown reason, the people over there cannot see that. I cannot understand why they cannot see it. It is there.

With high taxes, the government is not putting the dollars back into the consumer's pocket to go out and purchase goods. He has lost interest in buying goods in Ontario. He has lost interest in this government, and in the federal government, for not putting some of that money back in.

It cannot be done by piecemeal measures, by giving a tax rebate on 1981 model cars. That is not good enough. Perhaps if a reduction in the sales tax to four per cent had been applied across the board in the automobile industry to include even a person buying a used car, that

would have spurred some action in Ontario automobile sales. Perhaps that would have saved some jobs. I suggest that the government has failed the public in this area.

5:10 p.m.

I was interested in the minister's comments about zero-base budgeting. I think he is the only minister who has ever taken the approach that something must be done in this area, and he is doing it. But let us take a look at what has happened in Ontario.

The minister and I both have municipal background, and he and I know what we were always taught about budgeting at the municipal level, even by staff of municipalities, that any expenditure by government in excess of current revenues was to be shown in the budget as a deficit. We do not see that any more in the Treasurer's budgeting. He does not call it a deficit, he calls it a cash flow requirement.

Formerly, a deficit was considered injurious to the health of the economy and to be avoided as much as possible, but this government has not taken that approach. One can only remind the minister of the situation that many municipalities faced back in the 1930s, namely, insolvency owing to the inability to cover budgetary deficits with sufficient revenue.

According to the philosophy of zero-base budgeting, tax revenue should be the only source of government expenditure, notwithstanding that expenditures for certain services, such as public utilities, transportation, water and sanitary sewers, are financed through user fees.

Unfortunately, the practice of zero-base budgeting has not been pursued by this Tory government. By continually establishing programs beyond our revenue-generating capacity, this government has established a dangerous precedent for the economy.

I am sure one need not remind the minister that the government led by the member for Brampton (Mr. Davis) has operated with a budgetary deficit since the beginning of his tenure as Premier in 1971. There have been at least 10 years of continued government deficit; I believe 1970 was the last year the province was in a surplus situation.

Moreover, I am sure I need not remind the minister of the ramifications of deficit spending in the economy, especially when the policy is continued in periods of economic growth. It is a policy of great significance and one we are now paying dearly for. It has contributed to high interest rates, a tightening of the money supply, high unemployment and a weakening economy.

Perhaps the minister will recall when long-term balancing of the budget was generally accepted as the government goal of public financing in the latter half of the 1970s. Indeed, his boss, the Treasurer, has repeatedly expressed a deep concern in planning for a balanced budget, but somewhere his priorities have become crossed.

I believe the Treasurer was not enthused with the government purchase of Suncor for \$650 million when it was estimated that the cost of borrowing money to finance the purchase will eventually exceed \$2 billion, putting the budget in a further deficit position and doing nothing to provide additional employment or secure future supply for Ontario.

We, the official opposition, expressed deep concern and have objected to this kind of government expenditure when borrowing money in foreign markets to finance a scheme of this nature only adds to the evils of inflation and further increases the tax burden of Ontario taxpayers. We contend that this is a misdirection of resources and an irresponsible method of planning for economic development.

The Minister of Revenue is also guilty of policies of an unproductive nature. The increase in personal income and ad valorem taxes seriously harms the average Ontarian, not to mention the private sector, which now has little incentive to invest in this province.

In summary, I want to remind the minister that there is a vital difference between expenditures for economic development and expenditures for borrowing money for white elephants such as Suncor. If this government proved more of the former and less of the latter, we might cure some of the economic ills besetting this province. We might once again be the province where the action is.

For some reason that I and members of this party cannot understand, this government ventured into the purchase of Suncor. The minister was not a member in 1974, but I can recall the involvement of the former Treasurer of Ontario, Darcy McKeough, and his policy on the purchase of an investment in Syncrude. That involved the purchase of a five per cent interest, I believe it was at that time, in a consortium consisting of Imperial Oil, Gulf Canada and Cities Service.

At the time we made that investment, perhaps we should have been looking at the Canadianization of some of the oil industry. We had that opportunity. But, for some unknown reason, things were going along very well out there,

and they were going to secure and guarantee Ontario a supply of crude oil through the policy of the former Treasurer. Later on, I believe it was in 1978, the then Minister of Natural Resources said in a statement to the House:

"I am pleased to be able to announce that agreement has been reached for the sale of Ontario Energy Corporation's five per cent interest in the Syncrude project to Pan-Canadian Petroleum Limited of Calgary," which is about 85 per cent Canadian owned, "for \$160 million. As members know, our primary objective when we invested in the Syncrude project in 1975 was to ensure a plant was constructed. That objective is now largely achieved. We are satisfied that the Ontario Energy Corporation has negotiated a good deal for Ontario. Our actual expenditure to date is approximately \$106 million, to which could be added \$19 million if one allows for the interest cost of that money."

I think the province made about \$25 million on that sale. Of course, when Pan-Canadian purchased it at the price of \$160 million, they figured that with a tax write-off they would pay for it in six and a half years. It sounds like a pretty good investment for Pan-Canadian to have purchased this.

I suggest to the minister that government involvement at that time in Syncrude should have been retained so that today we would not have to be spending \$650 million that perhaps eventually will lead us into a cost, including interest, of close to \$2 billion in the long run. I believe it is an area the government lacked leadership in by not maintaining its interest in the Syncrude operations and thus guaranteeing a supply of oil for Ontario.

To me, it is rather disappointing that they would go into this deal at this time since there was no mention of purchasing Suncor in the budget for 1981-82. Perhaps it was just by the way the wind was blowing that the Premier thought this was a good policy to get the province involved in.

I am sure that the \$650 million could have been applied to a two-year Board of Industrial Leadership and Development program. It could have improved job opportunities in that area under that program. Of course, the minister did mention this in his leadoff speech this afternoon about the BILD program. That is another one that is perhaps misleading to the consumers and the taxpayers of Ontario. It covers everything, from the new Ministry of Revenue building in Oshawa, through almost every yard or ton of

asphalt that lies on every street, to every stop sign in Ontario, including provincial highways. All this is included in the BILD program.

These are programs that were already approved for expenditure in the last three or four years; so actually there is no new investment in Ontario. It is something that is normally in their year-to-year budgeting.

The Treasurer is very critical of the federal budget, because it did not have any incentives for private investment. He did agree with plugging the loopholes on personal income tax. I suppose we all could agree in that area, although one wants to see equality in taxes on the basis of the same income.

I suppose certain people could take advantage of a loophole so that they could generate additional income. Whether one can call it an investment that would create jobs is another question; in the long run it was an investment to encourage better retirement days for many of the taxpayers. I believe we agree that we could accept this proposal in the federal government's new budget.

It is interesting to note, too, that the budget was endorsed by the president of the Canadian Manufacturers' Association. He thought it was a very sound budget that would be of benefit to all Canadians in the long run. I hope it will have that effect upon all Canadians in the long run.

5:20 p.m.

Going back to the Premier's statement in the press where he urges a switch in the economy, one would have thought this minister would have come in today with the suggestion that there should be a further reduction of the sales tax in Ontario to encourage consumer spending. It seems his policies are not in line with those of the Bank of Canada. The governor of the Bank of Canada has applied the brakes on interest rates. The government says it wants the interest rates high to discourage consumer spending. We cannot have it both ways. Sometimes inflation goes with high employment. I think of a situation in my area now where there are going to be some cutbacks in jobs in industries, as has happened throughout a number of municipalities in Ontario.

I suggest to the minister that he is going to have to come through with some new ideas to encourage consumer spending. When one picks up the newspapers, one sees the ads put out by the business sector today to encourage shoppers to get out and do their Christmas shopping earlier. They know this is the one time of the year when they can capture some of the

revenues lost over the year. By reducing the sales tax, I am sure we could encourage consumer spending, and in the long run we are going to capture much of the sales tax lost because of a lack of confidence by consumers at this time in purchasing.

To turn the economy around, we are going to have to look at the consumer. There is nothing in the minister's statement today that indicates that he is looking to that turnaround. If we have to wait for six months from now or for a mini-budget—I don't know what the government is going to do, but it is going to have to do something. There is quite a bit of unrest among the people on the streets right now. There is a disappointment in the way our economy is going. We can only blame it on the government in power.

Hon. Mr. Ashe: And your friends in Ottawa.

Mr. Haggerty: Don't blame it on my friends in Ottawa. The minister is just like his boss, the Treasurer, when he says there is nothing in the federal government to encourage job creation programs. In my local paper I saw an advertisement that had "Canada" on it—it was not put out by the federal government; I do not know who it is put out by—and it mentioned some things here, such as a shipbuilding industry assistance program costing \$75 million annually for the next three years. There will be a benefit from that in Port Weller, in my colleague's area in the Niagara Peninsula.

The Department of Regional Economic Expansion program is going to be of great benefit to northern Ontario and other areas of the province. The new fighter aircraft at \$2.9 billion is going to create some jobs in Canada and in my area too. If I am not mistaken, during the last election, the Treasurer came into the riding down there with \$1 million and encouraged Fleet Industries by saying, "Now, here is \$1 million that will create 400 new jobs." I hope those 400 new jobs are going to be there some time this coming year, but I doubt that.

Mr. Bradley: We are always glad to see the minister come during an election campaign, because he brings presents.

Hon. Mr. Ashe: I bring presents all the time. Our presents are continuous. It's called good government.

Mr. Haggerty: There is Ford of Canada and the pulp and paper industry. I do not have to tell the minister how much the federal government is involved in that. I notice the Treasurer does say the odd time that there is involvement by the

two levels of government with the private sector in the Board of Industrial Leadership and Development program. Northern Ontario development will receive \$18.5 million of joint, five-year, federal-provincial funding to encourage development in northern Ontario. Pulp and paper modernization assistance increased from \$239 million to \$276 million.

The federal government does show some concern, and there is a spillover of this funding in the province; so I do not think the minister can say the federal government is not doing anything.

Nuclear waste research and development will receive \$95 million over three years for research into the safe disposal of nuclear waste from reactors. The minister was a member of the select committee on Ontario Hydro affairs and knows very well that they are spending large sums of money in this area in trying to find a suitable site. It is going to be in Ontario, so there is a spinoff here.

For the Dash-8 aircraft, there was a \$450-million loan guaranteed to de Havilland Canada, and \$50 million to Pratt and Whitney.

Mr. Ruston: Is this the federal government?

Mr. Haggerty: This is from the federal government. For Petro-Canada, there was an additional \$900 million approved for the 1981 capital spending program, which is almost double the previous year's budget. Look at the benefit to Ontario.

Hon. Mr. Ashe: Make up your mind. Are you supporting Petro-Canada?

Mr. Haggerty: What I am saying is that we come to Petro-Canada and here is \$900 million from the federal government. If this government had taken the \$650 million it is going to invest in Suncor, look at the jobs we could have created in Canada. We would have had the pipe mill in Welland employing 300 persons.

Hon. Mr. Ashe: What do you think is the difference between Petro-Canada and Suncor?

Mr. Haggerty: Well, Petro-Canada does not take Canadian money and put it over on the American side, and that is what the government has done with Suncor. There was a statement by the president of Suncor just the other day in which he said they are going to spend \$500 million in Canada. That is like this government's BILD program: it was already earmarked about four years ago; there is nothing new in it.

Hon. Mr. Ashe: There is nothing new in the \$950 million either.

Mr. Ruston: Even \$10 million for the new jet. You didn't need it.

Mr. Bradley: The government spent \$10.5 million for a jet.

The Deputy Chairman: Order.

Mr. Haggerty: Buying Suncor has guaranteed a fuel supply for the jet.

Research and development work connected with acid rain will receive \$41 million over the next four years. I do not know what Ontario is putting into that, but that will go into research. There is a whole list of them here. It probably would take me an hour and a half to read all these goodies here. I say to the minister, don't say the federal government is not contributing something to the economy of Ontario, because it certainly is. I look at that area, and it is not the fault of the opposition members.

Mr. Gordon: An industrial strategy; that's what they gave us.

Mr. Bradley: First in line to take the credit, last in line to take the responsibility; that's you guys.

Mr. Haggerty: That's right.

Mr. Gordon: And never in the north.

Mr. Ruston: They're always wanting money from Ottawa, but they don't want to give them the credit for it.

Mr. Gordon: They gave us the branch plant economy.

Mr. Haggerty: Quoting from the Premier's remarks, he said, "We have to explore if we want to divorce ourselves to a greater extent from American rates. . ." To get around that, the government is going to have to take a whole new look at the Ontario economy. We cannot afford this branch-plant economy any more. We cannot look to the United States to put plants over here and to run the show from over there. We are going to have to have some input in here. If we had had any input from this government in the last 40 years, the automobile industry would not be in the fix it is in today.

I recall in 1974 saying to the first Minister of Energy, Darcy McKeough, "It is time to make some decision to tell the automobile industry that they will have to build a car that the Canadian public wants, not the large machines with 128-inch wheelbases, the gas guzzlers." He said, "There is no way that I or this government would interfere in the private sector."

I am reminded of that response when I hear the Treasurer saying again that the new federal budget and tax policies leave nothing to the

private sector to invest. If we look at the policy of this government today, we do not need the involvement of the private sector any more. The government is in the private sector up to its neck now; it gives them grants, assistance and funding for the automobile industry and the implementation industry.

5:30 p.m.

Hon. Mr. Ashe: Make up your mind. Be consistent. Should we or should we not?

Mr. Haggerty: I am just saying the government cannot look to the private sector. There are ways of bringing this government to new directions on that.

If any of us walked into a bank in downtown Toronto or even in my riding at the end of October or the first two days in November, we could not get in to cash an ordinary cheque. Everybody is lined up in the banks with their little bankbooks pulling in interest on their money. Canadians are noted for their thriftiness.

That is a good sign. I only wish they would put that money to work in a better manner. I have suggested this before. Every time someone here wants to finance a scheme, he goes offshore to get the money to invest in a new industry or in one of government's projects. This is true regardless of which province it is. It is one of the problems we have with the provinces here in Canada, and it weakens Confederation.

They way to go about it, I suppose, is to encourage Canadians who save to make use of those savings. For example, they should be encouraged to buy government bonds; they do it in the United States, and it works very successfully there. We have a provincial bank sitting here that does nothing. We could put that bank to work for the benefit of the people of Ontario by getting them into that bank to put more into savings there.

We could give them certain tax advantages as is done with corporations, so that if they invested in bonds here in Ontario or in the Province of Ontario Savings Office they would get tax-free interest. We would get quite a few investments in this area so they would not have to go offshore. The figures will show that there is about \$60 billion in Canadian funds in banks today. That is without the trust companies and the credit unions.

There is a great area that can be tapped without borrowing money offshore. For example, in Saskatchewan they bought the potash mine. One cannot blame the American com-

pany for selling it, because they were perhaps only getting six or seven per cent return on their investment in the mining sector. They sold out to the government. What did Saskatchewan do? To borrow the money for it, it had to go to the American side. Look at the interest they are paying today. Industry is sitting back, saying: "Well, we are getting 15 or 18 per cent on our money. That is a good investment."

I do not think we have to do that. I think there are areas where we can encourage investment in Ontario by Ontario people. They want to see this province grow. They want to see job security for themselves and their children. I suggest this is an area we should be looking at. It is there to be tapped. When the Premier makes a statement urging a switch in the economy, that is one way to go that costs nothing.

We are doing it now, I suppose, with Ontario Hydro when it sells bonds and debentures over a period of 20 years. It is interesting to hear it said that the government cannot control interest. If one goes out and buys Canadian government bonds today, they are paying 19.5 per cent or something like that for the first year, but next year it drops down to about 11 per cent. I say to the minister, do not tell me the government cannot regulate interest rates, because it surely can.

Hon. Mr. Ashe: Sure, the federal Liberal government can overpay.

Mr. Haggerty: There are windfall profits there for almost everybody, and perhaps that is an area that should be taxed more. But we cannot blame the Canadian person who wants to save. I suggest that is an area the government should be looking at. If it really wants to do something good for the province, that is the way to go.

What bothers me most is that the province cannot maintain high equality in social programs unless it has an expanding tax base. To get that tax base, it is going to have to get new industries and more people employed. That way, there will be additional income taxes generated and taxes from people who go out and buy all the consumer goods they require.

If Ontario wants to do something towards the purchase of new homes, it should give them a tax break on the interest they have to pay. Letting the interest be tax free would help them some. The government can do that through personal income tax.

The Treasurer is critical of the government's taxing policies, but he forgot to tell us that the provincial government increased personal income

taxes last spring. The Ontario government does not have a shortfall in taxes, that is for sure.

I am suggesting that if the government wants to turn the economy around, these are the areas they should look at. It can be done; they have had 40 years of experience to do it. Surely they can come up with something good this time to get these people back to work. I do not know what they are going to do with all the unemployed people and all the young people who are seeking employment in Ontario. They have not come up with any program that is going to give those young people and the people who have been laid off for a considerable length of time an opportunity for further job enrichment. There is nothing for them in the speech today or in the proposed mini-budget.

If they want to get the Board of Industrial Leadership and Development program going, as they have done with the government revenue building in Oshawa, they can put their BILD program to work by building in my area. Almost every riding or municipality in Ontario needs some additional homes for the aged. There is a shortfall in the Niagara Peninsula. There are people on a waiting list, and they do not know where to turn. There is just no place for them. If they want to get into the BILD program, they can apply it there. That will create jobs in the construction industry in the Niagara Peninsula and in the Windsor area. You name it and it is needed there.

The minister goes on to say that Ontario has committed \$614 million to its development program over the next five years, and it has generated another \$275 million from the private sector and other levels of government. He does give credit to other levels of government, and I hope that is the federal government. For too long those fellows have been sitting in the back getting no credit at all for all their assistance to this government.

There are areas that are of concern to me. I thought the minister would be coming forward with a new program to put some life into a lagging economy, but there is nothing here. I think we talked in some detail about the issue of assessment during his amendment of the Assessment Act. Since there is a majority on the government side, they are still bringing in a bill year after year to further mothball market value assessment. Either it is a good program or it is a poor program, and the minister should have made up his mind by now whether he is for it or against it.

It is only fair to the municipalities to say that

the government is not going to bring market value assessment forward, because it just will not work under the present circumstances. The market price of housing in Ontario fluctuates so much because of the high interest rates that there is no way an assessor can put a true market value assessment on any piece of property today. I suggest to the minister that he could effect a real saving to the taxpayers, and he talks about zero-base budgeting in his own ministry, by getting rid of this market value concept now.

They have no intention of moving in that direction. I guess section 86(3) is the direction the minister is going, and eventually he is going to have to come through with some form of evaluation to bring in further equity to property assessment in Ontario. In a sense, that is a regressive kind of property tax.

It is not becoming any cheaper for people in municipalities because of the high cost of administration of local and regional governments, and perhaps even of the province. If local municipalities are to survive, they must receive additional revenues.

5:40 p.m.

Look at what happened in the 1930s. Many municipalities may be heading in that direction now. One had better start looking at some other area from which to raise revenue for the municipalities, because I do not think market value assessment will work.

A few years ago, the reason the government gave for not implementing market value assessment was because it was a minority government. They were opposed to it. We know an inequity still exists and we want it corrected. It can be done without going to market value assessment. It can be done on a percentage basis. It would work itself out because it has in the past. There is no reason it cannot continue in that area.

I conclude by saying that I am rather disappointed the Minister of Revenue did not come in with some new tax policies such as a reduction on the sales tax to spur the economy. Hopefully, reducing the sales tax would encourage consumer spending and would create the jobs that are necessary now. If not, I see the province of Ontario continuing in a recession for the next 12 to 14 months.

There is an indication from American economists that by February the interest rates will go down considerably to about 13 or 14 per cent. Hopefully, the trend will follow here and that they will be perhaps much less than that. Again, if one accepts some of the proposals I have put forward to the minister, I am sure there are

areas in which we could bring some stability to the interest rates. We could encourage Ontario residents to invest in programs that would bring some justice to the interest rates, and relief to home owners and future buyers of new homes.

If we do not move in this area, that will put the construction industry back and jobs will be lost. Another example is the appliance sector. Without construction of new homes, new appliances are not being sold. This is a case where initiative and new directions are needed from the government. According to the Premier's statement in the *Toronto Star*, we can look forward to new directions and new jobs for the unemployed in Ontario. I hope this is so.

Mr. Charlton: Mr. Chairman, I will attempt to restrict my comments to those areas over which the Minister of Revenue has jurisdiction. I, too, am somewhat disappointed, although not for the same reasons as the member for Erie.

I am somewhat disappointed because this is the third or fourth year in a row that the minister restricted himself to organization and the changes going on in the ministry. Although this is his first set of estimates as the Minister of Revenue, the former minister did much the same thing for the last two, three or four years in a row.

I will start by talking about tax policy. As opposed to my colleague, the member for Erie, I did not expect the minister to stand here today and start spouting new tax policies. Most of us in this House fully understand the Minister of Revenue does not set tax policy. The Treasurer does that. We all know that because we have been through that a dozen times in the House over the last number of years.

I certainly feel and have always felt quite strongly that the Minister of Revenue's major role in tax policy is reporting on and influencing tax policy by reporting on the way in which policies of the Treasurer and the Ministry of Treasury and Economics affect people's attitudes in Ontario.

I do not want this comment to be taken in the full context of political partisanship. I want it to be taken in the context of the reality of some of the things that are happening in Ontario. One thing that has begun to happen, and it is something that we have not seen in this province for a long time or in any period that I am aware of in recent history, is the growth and development of a number of public groups such as tax reform groups, tax revoltors, in some cities in this province.

One of our colleagues was sitting under the Speaker's gallery a few minutes ago. Unfortu-

nately, he has left now. He is a councillor in the city of North York, where we have seen a fairly significant growth in revolt against the way in which certain property assessments are done in that municipality.

What I am getting at is that there is a fairly substantial amount of discontent developing in the public about the kinds of taxes that this provincial government continues to emphasize every year, and either maintains or increases each year in its budget. There is a fairly substantial amount of discontent, to the extent that people are starting to organize against particular tax policies of this province. The government should not ignore these matters just because it has a majority. These are the kinds of things that should be monitored by those people who administer taxes, because they are the ones who are going to know about the complaints and hear the public's complaints most frequently.

We do not want to see this province get to the stage where we have to deal with rather massive public pressure as a result of the tax policies that the province has taken and/or inaction in terms of taxation areas in this province. The government already knows the problem and is failing to bring about resolutions. We all know what some of them are, and I will talk about some of them as we go through this estimate process.

In terms of tax policy in this province, it is imperative that the government respond to the kinds of things being said out there so we do not end up in a situation like they had in California, with proposition 13, where the government was forced, in a last minute situation, to do something it did not intend to do. As a result, major services this government provides could be cut, in interim and perhaps even in long-term ways, in order to accommodate public pressure about its tax policy. It is important that there be a constant assessment of public acceptance and public understanding of what is going on in terms of tax policy in this province.

This is one of the things that I feel the Ministry of Revenue has to do. It is the only ministry that can do it effectively, because it is the place where the administration of taxes is going on, where the complaints are registered, the protests are registered, and in many cases where the appeals against taxation are registered.

I would like to take that through the process a little bit. We have talked on a number of occasions in this House about the inequities that exist in the present property tax assessment

system, and the need for reform in the assessment area. The minister and his predecessors have stated a number of times that the section 86 program deals in some ways with many of the inequities that exist between like properties in the same class of property.

5:50 p.m.

That is basically true, but the section 86 program does not deal with the overall problem of equity in the property tax structure. In no way does it assist the rest of the operation of this government to deal with the rather major questions of municipal finance and the inequities in the whole municipal finance structure. Unfortunately, most of these are based on this antiquated assessment system.

We have made some strides in the last three or four years to deal with some of those inequities in the transfer of funds from the province to the municipal level, but the minister has not dealt with it in an overall, planned, strategic way.

The minister may be aware of a white paper which was produced by this caucus a year and a half ago. I know that a copy of it went to the then minister, and that it was circulated fairly widely through the Ministry of Revenue, as well as to a couple of other ministries. We do not pretend that white paper, which in fact was orange or yellow in colour, had all of the answers to the property tax and municipal finance problems that confront this province, nor do we pretend the solutions we proposed were necessarily the right ones or the best ones.

Unfortunately, we do not have access to all of the computer data of the Ministry of Revenue, so although we feel our proposals would go a long way in dealing with many of the problems, we can in no way be sure it is exactly what this province needs or that it is the best approach to be found. However, I would urge the minister, if he has never seen it, to take it out and have a look at it.

I am suggesting that, again not because I think it is necessarily the ultimate answer to the province's problems in relation to property taxation and to the whole municipal finance and education finance structure, but as I have attempted to say in this House a number of times in the past, this caucus would like to reach a solution to the whole question of equity in property taxes and some realignment in the case of provincial transfers to the municipalities and the whole ability of municipalities to raise tax dollars.

I even think that in a strange way the

comments of the honourable member for Erie reflect the same kind of concern.

I want to raise it again in the context of our sincere desire in this party to find solutions to those questions. Although there are some ideological aspects to the whole property tax question, from our perspective for the most part we have a sincere desire to find workable solutions. We have a desire to find solutions, regardless of whose they may be, whether they be ours or whether they be solutions that emanate from the government or from the party to my right.

I raise that again in the context of something which I suggested way back in the fall of 1978 to the then Minister of Revenue. Because we seemed to be at a stalemate stage in terms of the whole development of assessment and property tax in municipal reform, I suggested perhaps it was time we move that whole question into a select committee of this legislature. We have been through a number of stages in its development.

The government unilaterally decided, in 1968 or 1969, in which direction it was going to head. In the middle 1970s we ran into some roadblocks because of what was happening in the real estate market. Then we had a series of committees, all of which tried to involve, in some respect, the municipalities and various groups around the province. There was the whole scenario around the Blair commission and the Provincial-Municipal Liaison Committee and a number of reports came out. Then there was a white paper that came out from the Ministry of Treasury and Economics regarding property tax and municipal finance reform.

That whole discussion has been going on for 15 years now, perhaps even longer, and we are still not very far down the road towards dealing with the totality of the problem in the municipal sector. Perhaps it is time that we in this Legislature try to hammer it out among the three parties in an honest effort to solve some of the problems in that area and reach some kind of consensus on an approach and a direction, even if we have to put it into a select committee for two or three full years of study.

I am attempting to say this in all sincerity, not from a partisan point of view and not necessarily to push my own position. I have my own views, no question about that, but I think it is time we as a Legislature sat down and began serious discussions in some format involving all three of the parties, because this is the one thing that has never effectively happened through all the studies that have been done over the last 15 years.

The opposition has been an onlooker. To date, the only role we have had to play in the whole process has been that of opposition. We have not had a constructive role in any ongoing study and learning process, and we have not been involved in any of the discussions and compromises that can happen in a situation where you are trying to work out a particular problem.

I think it is time that all three of the parties in this Legislature got involved in a select committee or perhaps in one of the standing committees, whatever is felt to be most appropriate, to start working through the problems we have to solve and looking at the range of options that are available for getting at those problems so that at some point in the near future, I hope, we can come to some kind of all-party consensus on a direction to take with regard to property tax and municipal and education finance reform.

While we are on the topic of property taxes I would like to raise a couple of things—

The Deputy Chairman: I ask the member for Hamilton Mountain to watch the clock. It is approaching the hour of six. If your points are going to go on it might be a good time to break, but the last thing I want to do is cut into your presentation.

Mr. Charlton: I thank the Chairman for raising that with me. My comments are going to go on for some time yet. I am just getting rolling. Perhaps I will sit down and continue at eight o'clock.

The Deputy Chairman: Fine. I will vacate the chair.

The House recessed at 5:58 p.m.

CONTENTS

Monday, November 23, 1981

Other business

McMichael Canadian Collection , Mr. Smith.	3761
Ontario energy investment , Mr. Smith, Mr. Cassidy, Mr. Nixon, Mr. Davis.	3761
1981 Grey Cup , Mr. Cassidy, Mr. Davis, Mr. Smith.	3762
Answers to questions on Notice Paper , Mr. Wells, tabled.	3778

Statements by the ministry

Bennett, Hon. C. F., Minister of Municipal Affairs and Housing:

District Municipality of Muskoka	3763
---	------

Oral questions

Davis, Hon. W. G., Premier:

Interest rates , Mr. Cassidy, Mr. Nixon.	3766
Report on BILD , Mr. Cassidy, Mr. Di Santo, Mr. Peterson.	3768
Constitutional resolution , Mr. Boudria, Mr. Samis.	3771

Henderson, Hon. L. C., Minister of Agriculture and Food:

Cow-calf stabilization payments , Mr. Yakabuski, Mr. McKessock.	3774
--	------

McMurtry, Hon. R. R., Attorney General and Solicitor General:

Astra/Re-Mor , Mr. Smith, Mr. Swart, Mr. Cunningham.	3763
---	------

Norton, Hon. K. C., Minister of the Environment:

Liquid waste disposal , Mr. Charlton, Mr. Smith.	3772
Air pollution , Mr. Ruprecht.	3774

Stephenson, Hon. B. M., Minister of Education and Minister of Colleges and Universities:

University funding , Mr. Smith, Mr. Grande, Mr. Cooke.	3765
---	------

Report

Standing committee on resources development , Mr. Harris, agreed to.	3775
---	------

First readings

District Municipality of Muskoka Amendment Act , Bill 172, Mr. Bennett, agreed to.	3775
Atlas Hotel Company Limited Act , Bill Pr41, Mr. Rotenberg, agreed to.	3775

Private member's motion

Motion to suspend normal business , Mr. Cassidy, Mr. Smith, Mr. Wells, negated.	3775
--	------

Committee of supply

Estimates, Ministry of Revenue , Mr. Ashe, recessed.	3779
---	------

SPEAKERS IN THIS ISSUE

Ashe, Hon. G. L.; Minister of Revenue (Durham West PC)
Bennett, Hon. C. F.; Minister of Municipal Affairs and Housing (Ottawa South PC)
Boudria, D. (Prescott-Russell L)
Bradley, J. J. (St. Catharines L)
Breagh, M. J. (Oshawa NDP)
Breithaupt, J. R. (Kitchener L)
Cassidy, M. (Ottawa Centre NDP)
Charlton, B. A. (Hamilton Mountain NDP)
Cousens, D.; Deputy Chairman and Acting Speaker (York Centre PC)
Cunningham, E. G. (Wentworth North L)
Cureatz, S. L.; Deputy Speaker and Chairman (Durham East PC)
Davis, Hon. W. G.; Premier (Brampton PC)
Di Santo, O. (Downsview NDP)
Gordon, J. K. (Sudbury PC)
Grande, T. (Oakwood NDP)
Grossman, Hon. L. S.; Minister of Industry and Tourism (St. Andrew-St. Patrick PC)
Haggerty, R. (Erie L)
Henderson, Hon. L. C.; Minister of Agriculture and Food (Lambton PC)
Laughren, F. (Nickel Belt NDP)
MacDonald, D. C. (York South NDP)
Martel, E. W. (Sudbury East NDP)
McKessock, R. (Grey L)
McMurtry, Hon. R. R.; Attorney General and Solicitor General (Eglinton PC)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Norton, Hon. K. C.; Minister of the Environment (Kingston and the Islands PC)
Peterson, D. R. (London Centre L)
Ruprecht, T. (Parkdale L)
Ruston, R. F. (Essex North L)
Samis, G. R. (Cornwall NDP)
Smith, S. L. (Hamilton West L)
Stephenson, Hon. B. M.; Minister of Education and Minister of Colleges and Universities (York Mills PC)
Swart, M. L. (Welland-Thorold NDP)
Turner, Hon. J. M.; Speaker (Peterborough PC)
Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)
Wrye, W. M. (Windsor-Sandwich L)
Yakabuski, P. J. (Renfrew South PC)



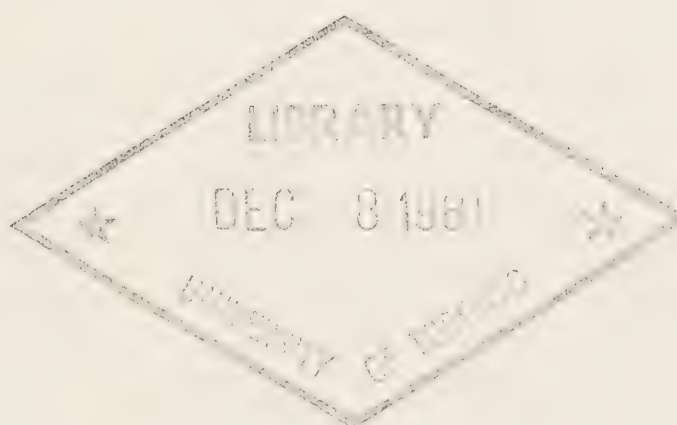
Ontario

LEGISLATIVE ASSEMBLY

No. 106

Legislature of Ontario Debates

Official Report (Hansard)



First Session, Thirty-Second Parliament
Monday, November 23, 1981
Evening Sitting

Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Monday, November 23, 1981

The House resumed at 8 p.m.

House in committee of supply.

ESTIMATES, MINISTRY OF REVENUE (continued)

Mr. Charlton: Mr. Chairman, I will try to pick up where I left off without having to go back over a lot of ground. When I stopped I think I was talking about assessment. I had just finished talking about all three parties in this House getting involved perhaps in a select committee to get on with the job of trying to come to some consensus on property tax reform.

I would like to make a few comments on a couple of things the minister mentioned in his opening statement with regard to assessments. One of the things he raised was a proposal to see that support staff were more usefully utilized so assessors could spend more time in the field in their neighbourhoods. As you may be aware, assessment regions are divided into neighbourhoods and an assessor is responsible for all the properties in his neighbourhood.

I cannot help but agree with the minister that it would be very appropriate and useful if assessors could find a way to spend much more of their time in the field and much less doing a lot of day-to-day paperwork. I sincerely hope his comments somehow come to reality. However, I should point out to the minister, just so he is aware of it, this has been tried several times in the past, even since 1970 when the province took over assessment.

I can recall one occasion when they even directed the managers who usually look after what I might define as a sub-region within a region—it may include anywhere up to 10 assessors' neighbourhoods—to spend about four fifths of their time in the field. Then, by looking at the properties along with the assessors, they had a realistic idea of exactly what was going on in the field in terms of the market value approach and how one area was stacking up against another.

It is hoped assessors have a good feel for what is going on in their own neighbourhoods but they do not necessarily have a good feel for what is going on in areas next to theirs. They attempted to get the managers to spend considerably more

time in the field as well so somebody had a good overview how one area was stacking up against the next and whether things were working out in reality.

After a short period of pressure from the head office level, the whole project went by the wayside. I raise that not because I believe the minister and his staff are insincere in trying it again this time, but in the hope they make a real effort to see it honestly happens, not only at the assessor level but at some of the supervisory levels as well so there is a good overview of areas as to how things stack up.

Perhaps I can take that one step further. I recall in 1973 Grey county was going to market value for 1974. To get the market value assessments there finished by the fall of 1973 so they could go to market value for the 1974 assessment roll, they brought in assessors from a number of other regions that happened to be fairly well on in their own market value reassessment and could spare some staff for a few months.

I and a number of my colleagues from Hamilton-Wentworth spent about seven or eight weeks that summer working up in Grey county. We worked at Owen Sound for a while, we worked out of Varney for a while and in a number of other areas. Although it is well understood the approach to assessment and the approach to market value is supposed to be fairly uniform province-wide, there were some fairly substantial differences at that stage in the way the assessment office in Grey county was approaching market value, over and against the way we were approaching it in Hamilton-Wentworth.

That is not to say anything against the ministry because there have been a number of substantial changes in approach, both at the ministry level and at the local level, since that time. I hope some of those differences in approach that existed at the local level have been overcome, as we have gone beyond the early stages of the manual approach. But it is just something to keep in mind. Yes, it is important to keep assessors in touch with their own neighbourhoods and communities as much as possible, but it is also important to keep as much interplay going

as possible between neighbourhoods, municipalities and regions.

The minister has made a considerable point of talking about reorganization in the ministry and in the assessment division and so on. However I think there would probably be a lot more useful purpose served in some of the ministry and task force staff doing straight comparisons, as opposed to a lot of the analysis work that appears to be going on. It seems quite often not to be very useful. It would be a very useful thing for the minister to have a look beyond the borders just to see how things stack up.

I wish to comment about budgeting now in relation to that whole question of assessors spending more time in the field and all the emphasis the minister has put on the zero-base budgeting approach and the supposed economies and efficiencies that kind of approach can provide. The examples I have come out of the assessment sector of his ministry, and we are talking about assessment at the moment. Budgeting, whether zero-base budgeting or otherwise, has its place and its benefits, but if it is strictly paper budgeting, even though it may appear to be very efficient in terms of the amount of dollars being spent and lack of increase from year to year and so on, it may be detrimental to overall efficiency.

A case in point popped into my mind when the minister made his comment about seeing that assessors spend more of their time in the field and in touch with their communities. This was a situation we had in the Hamilton-Wentworth office last winter where the mileage budget ran out in January and the budget-year end was March 31. Very early in January, the assessors were instructed that to all intents and purposes there would be no more field work because there would be no more mileage until March 31. It created a serious problem. To some degree they managed to get around it because of the bind the ministry was in last year trying to get the seniors' tax grants wrapped up.

8:10 p.m.

The assessors were saddled with the job of checking out a lot of applications that had problems, and they were given access to another budget in another section of the ministry. It was interesting that because they got access to another budget they found themselves able to get in their cars and go out with a pile of seniors' tax grant forms, talk to these seniors and get the correct information which was missing on these applications for the seniors' property tax grants.

Fortunately they were able to take the applications that needed additional information pertaining to their own neighbourhoods for assessment purposes and make a few assessment calls while they were out checking seniors' tax grant applications.

This point is not a criticism. It is simply to say that budgeting on paper alone is not always good enough. There has to be some realism and some facility in the budgeting process to take into account the other stated desires of the ministry or of particular sections of the ministry. It has to be kept in mind that if assessors are to be out in the field more often for more of their time you are going to have to enlarge their expense budgets a little bit, because they are out there using their own cars. All those things have to be taken into account.

I wish to talk a little about the whole reorganizational approach in the Ministry of Revenue. It is something the present minister and the former minister have emphasized at fair length over the course of the last three or four sets of estimates, both in the budgetary process and in the structural process within the ministry.

I do not think anybody objects to reorganization, to modernization, to efficiency, to any endeavour that will get the same result for less money, or whatever the purpose is. I certainly do not. But reorganizations have to be done with a view to what service is really required at the front line in the service. It has to take into consideration the human beings who are going to be affected. Again this is not a criticism. We have all seen hundreds of things in the civil service that we consider to be inefficient, so we cannot complain about anything the government might try to do to make things more efficient.

There is, for example, the proposed reorganization in the retail sales tax branch. I have no criticism of this reorganization at all. At this point I do not know exactly what it is because we have had some difficulty getting information. The only point I want to make here is that large numbers of the minister's employees in the retail sales tax sector have been called together at the local level by their local management people and told that this reorganization is going on and that the offices are going to be restructured. They have been told many of them may have to move, that they may be reassigned to another area—not 600 miles away across the province but far enough away that they may have to move or any number of other possibilities.

That is not necessarily inappropriate, either, but it seems to me from the complaints I have had from a number of my former colleagues in the ministry that, if nothing else, even if the reorganization he comes up with is 100 per cent appropriate, it has been handled in a very insensitive fashion. This is not because anybody has been bullied, but simply because the ministry was not really ready with a plan when the people were told.

Now they have been told, and for several months have been left hanging there. They do not know where they may go or where they may not go. They do not know whether they should apply for a job upstairs on the floor above them in another ministry, or in the same ministry in another section.

It is not a question of whether the reorganization will be exactly right in terms of the structure. It is just not good to leave people hanging like that. They get on edge, they wonder what the minister is up to, whether he really knows what he is doing and whether he is ever going to make up his mind now that they have been put on tenterhooks. It is just a question of being sensitive to that kind of thing when one is going through the reorganizational process.

That brings me to the question of the move to Oshawa. I think it is a little too far along for me to be critical of it. There was some criticism of it a few years ago when it was first announced and there has been some ongoing criticism from both sides. I would like to make some comments in regards to what the minister was saying today in his opening statement about that move.

The minister made it quite clear today about 70 per cent of the head office staff will be moving to Oshawa. Of the 30 per cent who will not be moving, many may have already found other jobs. I sincerely hope the ministry has made every effort to see that those who are not moving to Oshawa for whatever reason got employment elsewhere in the service.

The minister also made comments about the new head office building in Oshawa, an office building that is going to be a unique custom-designed structure featuring state-of-the-art technology, energy conservation and efficiency. I have no doubt the ministry is capable of that—it is probably very true. He made a number of other comments relating to state-of-the-art technology. For example, on page 20 of his statement he referred to faster service in answering account enquiries, et cetera, via video terminals.

There is no question in my mind the ministry is capable of putting together a very efficient building from an energy point of view and putting all the latest technology into that building—computer hookups and video display terminals. I feel fairly confident the ministry will do a good job of making that new head office a model of modern technology. However, I sincerely hope that while they are doing so they will also make that new head office a model in terms of labour relations. I refer to the number of very serious problems surrounding many of those new technologies, specifically video display terminals—problems of eye strain, problems of whatever radiation emits from those, problems of lighting, problems of the adjustability of the equipment and the chairs on which people sit.

8:20 p.m.

I will give members an example of what I am talking about. On the procedural affairs committee, during the course of our agency review this year, we were reviewing the Ontario Racing Commission whose equipment has become highly computerized in the last number of years for a number of obvious reasons—they can have racing stats on horse owners, jockeys and horses from all across the continent and the world. During our review, we were taken out to Mohawk Raceway to see the facilities.

We went into the racing commission office. It was in the evening, but they had two young women working on video display terminal computer hookups. One of the women was short, about five feet, four inches, and she fitted the equipment they had in place quite nicely. The other woman was quite tall, about five feet 11 inches, and she did not fit the equipment. She was doubled over like a pretzel trying to work that equipment.

It is a serious question. The minister smiles but it is a very serious question, having to work with a piece of equipment like that where one has to sit at the right distance to see effectively what is on the screen. If the minister had looked closely at them, he would have noticed if one stands a little too far or too close that one cannot see it clearly. One has to be just right. I hope the ministry in its new headquarters in Oshawa will make sure every precaution is taken to ensure all the technological equipment they put in will be in the best interests of new employees and those whom they take with them.

To move to the question of the seniors' tax grants and the experience over the last two

years, I am glad the minister took the time to thank the members in their constituency offices for their time and effort in taking calls from seniors. I want to make a couple of points. The minister and the ministry are working honestly and sincerely to straighten out the problems in the tax grant process. From the number of calls we are still getting we are not as close to getting it sorted out as they would like us and the public to believe.

With any new program like this, there are problems. Perhaps that is something to think about. Although we spent a lot of time on the old tax credit system filling out tax credit forms for seniors, and going to courses provided by the ministry as well, or having our staff go or whatever the case happened to have been, if all we were doing for seniors now is helping them fill out applications, I think my staff in the constituency office would be very pleased. We are still getting dozens of calls every week.

One in particular comes to mind. It was a call I took last Friday night from a gentleman who received a letter from the ministry dated October 1 acknowledging receipt of his application, saying it was in process and if they needed any further information from him they would get in touch.

Mr. Ruston: They all say that.

Mr. Charlton: Yes, but it is now November 23. He has not heard anything from the ministry. He has not heard there is need for additional information. He also has not heard about where his cheque is. Everybody and their mother have their cheques. He is upset, and perhaps rightly so, especially since it is a month and a half since they said his application went into the process.

If he had heard three weeks ago they could not finish processing his application because something was missing I would not have had a call from him. He would understand what was going on. But in seven weeks he has heard absolutely nothing except that the processing of his application has started. No senior in this province can believe it takes seven weeks to process, print and mail a cheque for one senior.

There are still some problems in the system. It is something the government has to think seriously about if the administrative problems cannot be sorted out fairly quickly over the course of the next year. In the program we came out of there were some administrative complaints but few compared with the ones we are getting in the present system. When it was all handled on the income tax system, it is true we

had the occasional complaint but, in percentage terms, they were few compared with what we are getting now.

I raise that because the minister has said the ministry is working hard to straighten out those problems. I have no doubt that is true. However, if they cannot be straightened out to a substantial degree over the course of the next year I think the ministry is going to have to think seriously about either looking at a totally different approach to the program or going back to some modified form of the old system where it was done on the income tax.

The minister is going to have to look at that because the kinds of things he is saying in organizational terms in the rest of his statement indicate that if he cannot get this straightened out with the seniors' property tax grants then, because of the budgetary and reorganizational process he has been going through in the rest of the ministry, he is going to have to look at a more efficient way of handling that whole question.

With that, I will quickly sum up my comments. Many of the things the ministry has done over the course of the last four or five years have been useful, forward, even progressive. But there are a number of areas, and I think I have touched on most of them, where there are some serious problems and roadblocks where no progress is being made. There are some areas we have to look at clearly and deal with.

I made a number of specific requests to the minister. In the case of property assessment, property tax and municipal finance reform, I suggested he seriously consider the possibility of having a committee of the Legislature established. After the lengthy debate we have been through over the last 15 years or so, and all the back and forth that has gone on in this House over the last four, five or six years since the delays started, perhaps he should propose a select committee of the Legislature where all three parties can get honestly involved in the process. They could look not only at the problems that stalled the progress of full market value and the shifts that would have resulted from that, but the problems that are developing in the municipal finance sector and the education system in terms of the grant structure and the whole package that needs to be worked out in that area.

I ask the minister to consider seriously allowing us to get involved in that process. As opposition parties we have been left on the outside—left almost totally in an opposition

role, unable to have any constructive input into what has gone on to this date. I honestly think we would like to get involved in that. As I said to the minister earlier, although there are some ideological aspects that separate all three parties here, for the most part we can deal with a large number of areas in trying to solve some of the very real problems between the province and the municipalities and that whole financial structure and the tax structure at the local level. Thank you, Mr. Chairman.

8:30 p.m.

Mr. Chairman: Thank you very much. To refresh the honourable members' memories, we are on supply committee, and we are viewing the estimates of the Minister of Revenue, the Honourable George Ashe. That is also for the benefit of those who have gathered in the galleries to listen to some of the interesting aspects of the committee. I recognize the member for Scarborough-Ellesmere.

Mr. Robinson: Mr. Chairman, I rise in my place on a point of privilege this evening to draw to your attention and the House's attention that with us tonight in the gallery, as you have just noted, are members of the finest riding association executive in Ontario. Of course, it goes without saying they are my executive in the great and glorious riding of Scarborough-Ellesmere. I know members of the House will join with me in bidding them welcome this evening—

Mr. Chairman: You are lucky to get that in.

Mr. Robinson: —and I know they will not be affronted to note there are more of them in the Legislature tonight than there are members of this assembly.

Mr. Chairman: Are you suggesting that there is not a quorum?

Hon. Mr. Ashe: That is not what he said.

Mr. Robinson: No, I did not say that, Mr. Chairman.

Mr. Ruston: Mr. Chairman, I think it should be noted that is not parliamentary procedure.

Mr. Chairman: Yes, we attempted to reprimand the honourable member on that note.

Mr. Robinson: Mr. Chairman, I apologize to the House for not being better aware of the procedures of this assembly.

Mr. Ruston: We will watch for the next time.

Mr. Chairman: You are lucky I did not ask you to leave the House. The minister.

Hon. Mr. Ashe: Thank you very much, Mr. Chairman. I think before we go into the specific votes for the Ministry of Revenue, I would just like very briefly—and I will not take any more than a few minutes—to touch upon a couple of the issues that were made by the critics from the two parties opposite, so they will not escape me and get buried in the various specifics of the estimates.

First of all, the member for Erie: I appreciate that he was rather critical of the fiscal policies of this government, albeit some of his criticisms were probably misplaced, in that he should have been maybe looking a little to the northeast, to the municipality from whence I came a long time ago, where his federal colleagues happen to be in power; but so be it.

I will be nonpolitical tonight as usual and just suggest that with most of his comments I am quite sure he is well aware the policy, as far as taxation and the various elements of the taxation of this government are concerned are, quite rightly, within the purview of the Treasurer of Ontario and frankly not within the purview of this ministry or this minister.

Although I may have some sympathy with some of his suggestions, I am afraid they are rather misdirected. As I am sure the honourable member fully realizes, we do not set the policies vis-à-vis taxation. The Treasurer makes the balls and we kind of roll them, throw them and collect them at the other end. That is really our function, and I must say that the honourable member for Erie really did not touch very greatly upon the functions of this ministry but more on the tax policy of the government.

The honourable member for Hamilton Mountain did touch upon a few issues that I would like to mention very briefly—working backwards, the sales tax and property tax grant. As he acknowledged, and as I acknowledged in my opening remarks, we have had some problems. We are dealing with a clientele group who get concerned when they hear of their neighbour who has a cheque or a form in the mail. It is a problem and we did ask, and continue to ask, for the support and the co-operation of all members of this House and their respective constituency offices in resolving some of these issues.

Let me assure him and all the honourable members that great progress has been made. I know I touched on this in my remarks, but I think it is worth emphasizing again. Whereas last year about 40 per cent of the applications that were submitted for the property tax grant were incomplete or inaccurate in one way or

another, this year, through the changes we instituted, that figure was cut approximately in half, to 20 per cent. But when we are talking about well over 500,000, that still leaves a significant number, in excess of 100,000, that required extra handling, and there is no doubt this has taken some time.

But I think these problems are behind us; I think a lot have been resolved, for example, with the cheques that went out last week along with another 40,000 or so this week. I think the member will find that although quite a number of concerns and questions have been expressed in his constituency office during the past week or two, those numbers will drop off significantly after the mailing this week.

Concerning the specific case the member talked about of the early October acknowledgement and the current date of November 23, let me just emphasize that we have always stated in the administration of this program that eight weeks was considered the length of time appropriate to handle the process from beginning to end. I just hope this particular constituent has his cheque within the coming week, since we are coming up to week eight.

Let me tell the member that if this constituent does not have his cheque before the end of the month, I hope he will get in touch with me personally. We will follow through on it to see exactly what went wrong, not just for the sake of that person as an individual but to see what went awry in the system. I think the member will agree, and I think all honourable members will concur, that we are trying to find out what some of the problems are and we are trying to work them out.

To go backwards again to the sales tax office staff, I think this ministry has been more than fair in the process of reorganization within the sales tax offices throughout the field. I agree that we could have gone to the other extreme and tried to keep the whole process completely quiet and confidential. It is possible that this would have been the right way to go. In that way maybe most of the people affected would not have become aware of it, and maybe then their concerns would not have come forward until the decisions had been made and it just hit them all of a sudden.

We believe, and I personally believe, that this is not a very humane way to treat the very valued employees of this government and of this ministry. We have sincerely tried in every way possible to keep them involved in the process as it went along by consulting them and by informing them of what was happening.

It is true that we could not be very specific about the exact timing and about exactly who would be involved, because that was part of the process. We are all here, frankly, to serve the same constituency, namely, about 8.5 million or 8.6 million people in this province. The geography has changed over the last number of years since the sales tax offices were established. The clientele we are serving has changed significantly in that period of time, and we are trying to come up with something that would better serve our mutual constituency, namely, the taxpayers, the ratepayers and the vendors, in this case, in Ontario.

But I can assure the member that as this process has developed we have been mindful that people are involved and that people's lives are involved. When the ultimate decisions are made—and I must tell him that we will get to that point very shortly—the whole process will be treated, as it has been right along, in a very humane way and in a way that will cause the least disruption to the fewest people possible.

I am sure that for those who ultimately may be disrupted, we have systems and a process that will be very conducive to a very orderly change, whether it be to remain in our ministry in another capacity, as he mentioned, or to relocate to another ministry within this government.

8:40 p.m.

Working backwards, there was one other rather significant issue that the member for Hamilton Mountain raised and I would like to touch on. It goes back to an area on which he is very well informed, the assessment function of this ministry.

I can assure the member, having visited personally a great number of our assessment offices in the early fall of this year, that this new reorganized system of putting the assessors in a group within the office with backup staff is working, and in my view will continue to work exceedingly well, to release a great deal more time. However, I think it is safe to say that nobody will be able to completely unload the administrative part of his or her job. I think that is a great goal but a fictitious goal to think we can ever achieve.

I can assure him that I think this process of having the backup clerical staff working right with a couple of assessors and being very involved on a day-to-day basis with what is going on, getting the feel of the neighbourhoods those particular assessors are working with and getting a feel for the clientele those assessors are working with, is working well.

Over the next few months, as this expands into the various regional offices, it will continue to release—it has already, and will do so even more in the future—more of the valuable time of the assessor to perform the role he is trained and paid for, which is to deliver and continue to work on and update an equitable assessment system and ultimately a tax system in this province.

I have not tried to get into all the details that were raised by the honourable members opposite, but I have tried to touch upon a few of the major issues that were raised. I am sure, as we get into the specific vote items, there will be other questions forthcoming.

Mr. Chairman: We thank the minister for his rebuttal remarks. I now see the opposition has no one standing. Are we on to votes? We usually have a very free-wheeling approach to—

Mr. Philip: May I ask a couple of questions on the response, Mr. Chairman?

Mr. Chairman: Sure.

Mr. Philip: I recognize in the minister's statement that it is the Treasurer who sets the economic policy. However, from dealing with the former minister, I also recognize that recommendations often do come from the Minister of Revenue to the Treasurer on certain specific matters.

Since it is a matter of policy, I wonder if I may just take 30 seconds to deal with an area that has been of concern to me and to certain people, even though they are not constituents, to whom I have been speaking. I refer to the matter of sales tax on equipment which is payable by organizations that are serving the community through purely nonprofit means.

There is an organization in the borough of Etobicoke, although it is not in the riding of Etobicoke, called Beyond Tomorrow, which develops community programming, mainly for seniors. They run a television show on Maclean-Hunter Cable TV, covering all four ridings in the borough of Etobicoke and indeed some parts of the city as well. This group, needless to say, uses equipment that is very costly to it. On top of having to raise money to purchase this equipment, it has to pay sales tax.

I recall that a couple of weeks ago I sent a letter to the minister. Knowing the way the bureaucracy sometimes works, perhaps he has not seen it yet, and I recognize that. Basically, I pointed out to him that this association performs very important functions in our community in encouraging seniors to become active in

the community as volunteers, in breaking down many of the stereotypes I think middle-aged and younger people may have about seniors and in showing just how many activities and what important things seniors are doing in our community. They were wondering if the minister might recommend to the Treasurer, or might be able to find, some way of waiving sales tax on television equipment and vans and other equipment they have to purchase.

I am sure the minister has received comments like this from other voluntary groups. I want to know what the minister's policy might be, and whether he might be recommending something along this line to the Treasurer.

Mr. Chairman: Perhaps I could point out to members that traditionally we should be looking at a specific vote, but I know the member for Etobicoke has been burning with interest on this particular inquiry.

Hon. Mr. Ashe: I agree. I think it is probably more appropriate under vote 802, item 9, but I am happy to at least make some initial comment at this time.

This whole issue of what should or should not be taxable in the sales tax area has been and will continue to be an ongoing area of discussion. I do happen to know that, as the member has indicated, we do from time to time bring issues to the attention of the Treasurer based on correspondence or actual activities in terms of administering this particular piece of legislation. We bring it to the attention of the Treasurer for his annual budget consideration and his annual review. I am sure this is an area where we may very well be doing that.

I know it is the concern of the Treasurer—this Treasurer (Mr. F. S. Miller), as well as I guess to a degree, his predecessor—that our sales tax system is becoming somewhat more difficult to administer, even administratively, in the sense of the number of items and areas that are becoming sales-tax exempt for one reason or another. There is some concern being expressed in two ways in that regard.

Firstly, it becomes more complex and much more of an onus on the retailer to determine whether or not his purchaser should pay sales tax. The auditor must then decide whether it has been correctly enforced, whether or not the purchaser should pay sales tax. So the whole administrative complexity of the Sales Tax Act is up for review.

Secondly, the other concern of my colleague the Treasurer is very rightly a matter of revenue. Every time we give an exemption, obvi-

ously there is a negative impact on revenue. All members may not agree as to where the extra thrust would be, but everybody will agree that if we save a dollar here for someone, we have to get it from somewhere else. That is part of his concern about the shrinking of the tax base through exemptions.

There is no doubt we can all make a case as to why something should not be taxed, or why the exemption should be raised on something. Shoes, for example, are taxed if they cost more than \$30. We get many letters suggesting it should be \$50. Similarly, on restaurant meals, we get many letters suggesting it should be above \$6. But we all know in the long run that if we do not raise the dollars here, we have to raise them there.

They are all part of the challenging discussion each year by my colleague. As regards the specific item the member has referred to, I will be very frank. I do not remember seeing it yet personally. It may very well be that it is in the system and that I will see the question and the answer at the same time. But I can assure all members that when that kind of process does work, I am aware of the question before I sign the answer. And if I do not think the answer is appropriate, that does not become the answer. That one I will be watching for.

Mr. Chairman: Let us get back now to individual votes and items so that the committee has a proper understanding of where we are going.

With that in mind, I am looking at vote 801.

On vote 801, ministry administration program:

Mr. Haggerty: Can the minister give us a further explanation on this special warrant of \$2,351,800?

Mr. Chairman: I am sorry; I do not see that.
8:50 p.m.

Mr. Haggerty: It is part of the ministry administration program, vote 801, which excludes a special warrant and the minister's salary, which is a big item.

Hon. Mr. Ashe: I can probably answer that in a general way, because the same issue will come up in every vote throughout the whole ministry's estimates.

If I can draw the member's attention to the very first page of the estimates book, he will notice that under the heading "Summary," it says, "Less: Special Warrant, \$172,316,500." As we all know, the fiscal year started just after we became involved in a provincial election and

before this Legislature reconvened, and all ministries of this government operated on the basis of a special warrant. That is the basis in vote 801 of the \$2,351,800 under the heading of "Ministry Administrative Program." That same explanation applies throughout the ministry's estimates, as it would for every other ministry in this government.

Mr. Haggerty: I thought it was rather important that I ask that question, because in the estimates for 1980-81 it says, "N/A," which I took to mean "not available," and I thought there might be some special reason. Anyway, the minister has answered it.

The cost of the relocation project is given as \$2,071,400. Will that be the final cost of moving the facilities from here to Oshawa? Will that wrap it up?

Another question under the same vote concerns the matter of legal services. It is pretty hard for me to follow, but I notice here that for legal services there is \$2,000 for salaries and wages, \$493,700 for services; then on the next page it is \$3,100 and legal services are \$504,000. And yet it says, "No manpower required; no staff." Can the minister give me an explanation of what we are buying in services here?

Hon. Mr. Ashe: As I am sure the honourable member is aware, all ministries of this government that have legal services provided to them contract—I should not even say contract; that is not the correct term. All of the employees who deliver legal services, both the lawyers themselves and their backup personnel, actually work for the Ministry of the Attorney General and are supplied to the ministries. We pay for them under the heading of "Services," in that they are billed to us by the Ministry of the Attorney General.

The item in the estimates for salary and wages of \$2,000 is strictly for GO Temp staff, whom we may require from time to time to assist the clerical delivery within the legal services department. All the other headings under "Services" are pretty well the offsetting billings we get from the Ministry of the Attorney General, which supplies our lawyers and their clerical backup staff.

Concerning the member's question in vote 801, item 10, the relocation project: These are not all the costs involved; they are the estimates for 1981-82. As the honourable member knows from my remarks and, I am sure, from his own knowledge, we will not move physically until the fiscal year 1982-83; so there will be a substantial budget item in the upcoming year as

well. I think that would pretty well be the balance in the upcoming fiscal year, but this definitely is not the total by any means.

Mr. Haggerty: Concerning the relocation: Is this for the purchase of office equipment, or is the ministry going to rent all the office equipment? What are we looking at here if the ministry is not going to move until 1983? Is the ministry not going to relocate anything down there, any personnel, or is it just for the purchase of equipment?

Hon. Mr. Ashe: I am afraid that is not what I said. I said we would be relocating in 1982, which means the fiscal year 1982-83, from April 1, 1982, up to and including March 31, 1983.

As I tried to cover in my opening remarks, in these various estimates we are talking about many aspects of the move. We are talking about the actual preparation, which involves an ongoing permanent staff to make sure the staff within the existing organization is aware of what is going on vis-à-vis the move, an ongoing education of what the Durham region has to offer.

We are also now at the point of building up a bank of qualified people who have applied in the Durham region. If the member recalls my remarks, in the order of 3,000 people have applied for positions. Some have already been filled by people from the Durham region. We are also involved in getting ready for the duplication of staffing to some degree for the people who are not going to relocate.

This is all part of the project under vote 801, item 10. The reason everything is going into that vote rather than being buried within some of the others is to give a true indication of the actual, complete and, ultimately, final cost of the relocation to Oshawa by the Ministry of Revenue. The only way that could be honestly, sincerely and completely done is by having it as a separate vote and project within the estimates of this ministry.

Mr. Charlton: Mr. Chairman, can the minister tell us a little about the relocation in Oshawa? For example, can you tell us anything about how the accommodation cost in the new building in Oshawa will compare with the present cost on Bloor Street?

Hon. Mr. Ashe: Mr. Chairman, that is difficult to answer in that we do not really have a final cost. As the member is aware, we are going into a building that is ultimately ours. We really do not know the final cost. Even within our present situation, all our accommodation is

provided by the Ministry of Government Services and not by the ministry involved, in this case the Ministry of Revenue.

As a ministry, frankly, we are not much concerned directly with the cost of the accommodation. Our concern, I think quite rightly, and the member alluded to it earlier in his remarks, is to make sure the accommodation we occupy is functional and practical to all sizes and shapes, to use his analogy.

Part of our relocation project is to make sure the accommodation being developed specifically for the Ministry of Revenue will suit our needs and those of the employees who will be involved, so that in a pleasant environment and atmosphere they will be able to deliver the services to the taxpayers and vendors within this province.

If the member wants to get involved in some of the actual or projected costs of that building, I have them. However, they are more within the purview of the Ministry of Government Services. I can tell him, for example, that the estimated building cost is \$33.7 million for the completed Revenue building in Oshawa. On top of that there was the land cost, and there is a parking garage that is being built by the city of Oshawa for which we provided the land.

If the member is interested in those details, I can give them to him from my own background papers and knowledge, but not because it is within the estimates of this ministry.

9 p.m.

Mr. Charlton: I was not concerned so much with the overall cost of the building, because we are all aware that sooner or later buildings pay for themselves and become part of the public domain. I was more interested in the operating costs of the accommodation and the equivalent cost to the government over and against the rent the ministry is now paying for its space in Toronto; in other words, the costs that would normally show up in the ministry's estimates for accommodation.

Hon. Mr. Ashe: I emphasize again that the actual cost of space is not within the purview of this ministry. That is a concern of the Ministry of Government Services.

One item in my opening remarks that is relevant in the context of operating costs concerns the overall energy costs: the equivalence of 60 kilowatt-hours per square foot per annum in our present accommodation at 77 Bloor Street West to 10 kilowatt-hours per square foot per annum in the new building. In an

operational sense, energy costs will be significantly less—one sixth, as a matter of fact. This augurs well in actual dollars. In this age of energy efficiency, it is very important. My colleague the Minister of Energy (Mr. Welch) would be very quick to point that out.

As far as the actual costs of relocating are concerned, in this fiscal year, 1981-82, a lot of our estimates and the costs in vote 801, item 10, concern relocation costs and allowances for staff. Once people make the commitment to relocate, that becomes a credit they are building up. The double-banking I referred to earlier, of bringing people on staff who will be trained by the outgoing people, is a cost. In the upcoming fiscal year, the major costs will be furniture and equipment, which will be significant items. These will be one-time costs and will not recur from year to year.

The physical relocation, which I alluded to briefly in my remarks, is scheduled to take place over a three-month period; so it is phased. Physically, you could say it could be done over a weekend or two, but, as I am sure the member is aware, this is not practical in an operation our size, considering the massiveness of our relationship with the vendor public in the context of corporations and sales tax remitters, and with the public generally, the taxpayers. We have a concern to make sure there is no break in the process of our day-to-day collections, which are significant for the cash flow requirements of the Treasury. That will also be part of the relocation cost.

In any massive relocation such as this, the one-time cost at the beginning is quite significant. Once we get relocated and get into some of the new processes we are going into, the additional capabilities we will have in dealing with the sales and property tax grants will pay for the extra costs being instigated at the front end of the process on a nonrecurring basis.

Mr. Haggerty: Mr. Chairman, I have one question on the matter of supply and office services. I suppose that relates to the purchase of office equipment and supplies. Are these tendered, and is it through your ministry or is it through another ministry?

Hon. Mr. Ashe: When we are talking about smaller items, they are often acquired through our central stores and central purchasing capabilities. On specific items of any significance that are tailor-made for our operation, they are tendered.

Vote 801 agreed to.

On vote 802, tax revenue program:

Mr. Charlton: Mr. Chairman, I would like to ask the minister for some comments about the Motor Vehicle Fuel Tax Act amendment he introduced last week. With regard to the problem of tax exemptions and the colouring of fuels being proposed in that bill, there are a number of us who have had letters from different people across the province very strenuously objecting to that approach of dealing with the tax exemption problem; such as some of the co-ops across the province, and more specifically some of the co-ops in northern Ontario.

I would like to get a sense of the extent of the problem that exists, and exactly why they picked the approach of coloured fuel. One of the reasons I raise that is there is an oil company which operates in this province—it is Suncor, the one this government just bought 25 per cent of—that used to dye its fuel blue in this province. They used to call it Blue Sunoco.

The governments in this country forced them to take the dye out because it was a very serious pollutant. I am just wondering what has been done in the last decade to so improve dyes that this ministry is going to be able to instruct that they be put in fuels sold in this province so that they can identify them for tax purposes, when the very corporation in which this government just bought an interest was forced to take the dyes out.

Hon. Mr. Ashe: That is an excellent question on a subject I am very happy to expand upon. I really did not have enough opportunity last week on the introduction of the bill, because the Speaker, in his wisdom, after a point was raised by the Leader of the Opposition (Mr. Smith), did not allow me to continue my opening remarks. I had tried to touch upon many of the issues raised now by the member for Hamilton Mountain.

First of all, let me suggest to you that the extent of the problem we are trying to address with the introduction of coloured fuel is a matter of a bit of speculation. I am the first one to admit that.

Nobody really knows the amount of slippage going down the drain because of the way the system now exists. There are varying estimates, anywhere from a low of \$10 million per annum to a high of \$50 million per annum. There is a general acceptance within my ministry and within Treasury that the loss of revenue in the current system is something on the order of \$25 million. To be very frank, we do not really know

for sure. If we knew exactly where and how it was going, it probably would not be going. That is a safe assumption.

9:10 p.m.

One of the other concerns this government and this ministry is trying to address is deregulation. I must say one part of the particular bill I introduced last week to amend the Fuel Tax Act addresses this concern more than any other I have had the privilege to introduce for as long as I have been a member of this Legislature, since June 1977, in the context of delivering a deregulation bill.

I think we all agree that if there is one problem in government, it is more and more paper and regulations. Anywhere we can cut those down has to be considered a plus. Under the present system, there is a lot of paperwork and reporting that has to be done along the line. One of the other alternatives suggested by the industry which we examined would further accelerate and exacerbate this problem.

In other words, we would literally have to follow the gallon of fuel out of the ground right down to when it was burned within the car, tractor, stove or furnace, as the case may be. Although that was a suggestion and an alternative, it was discarded for obvious reasons. It would further compound the paper war and the reporting that goes on now.

What we are doing with the introduction of coloured fuel is having a very small number of people responsible for reporting, namely, the major oil companies that will be responsible for the injection of the colour within the tax-exempt fuel. Although there will be quite a number of injection points, I think there will actually be only 15 companies that are in the business of supplying the products we are talking about, which is the middle distillate line of fuels: stove oil, fuel oil—I think kerosene comes in there—which are tax exempt, and of course the diesel fuel which is tax-due.

The main area of concern that is part of the ongoing discussion is something we have looked at very seriously over the last six months. We have met with the industry and with the co-operatives on this. Their concern was that initially they had to put in significant capital investment in tankage, pipes and another line of fuel for, as far as they were concerned, no return on this capital.

Within the industry itself, there was the initial cost of putting in the colour injectors and the ongoing costs of the dyeing operation. Again, there was no return on this extra cost. In turn,

they would ultimately end up with either a reduction in their profits or an ongoing and added cost to the consumer.

I think we have been able to accomplish the best of all worlds. We are eliminating literally tens of thousands of reports people have had to fill in. That will be eliminated. We will be down to this core of 15 companies. In the bill, there is compensation for the people who have to put in additional tankage, such as the co-operatives. At that level, as long as they were registered as dealers and distributors that could handle this type of product as of the date of the budget, May 19, 1981, they will be eligible for compensation for the full capital costs to maintain their present level of business.

That is key. We are not prepared as a government to finance expansion of their business. For example, if it is proven, and we will have expert advice in this regard, that a co-operative of significant size has the need for an additional 40,000 gallon tank, we will pay the full capital cost of that tank and its installation up to a maximum of \$65,000.

I am told that maximum is not a hindrance and that it should cover every situation within this province with the possible exception of one. Those concerns, which I think were quite legitimate and quite fair, were financial in nature. I think we have taken care of them.

Similarly, as a government, we will supply suppliers with the dye. We will be supplying this on an ongoing basis and compensate them on the basis of, if I recall the number, 30 cents per kilolitre for the actual dyeing process, which over a period of years should not only compensate them for the ongoing costs of the dyeing process, but should also compensate them for their initial capital cost.

In this case, we are assuming Shell Oil, Ultramar, Sunoco and so on, actually have the financial capabilities to pay for it up front. They will recover their costs over a very few years. As well, and I think this is important, they will be able to build up a sinking fund to replace or upgrade those facilities when they need replacement somewhere down the line. There is no doubt that all of those things have been addressed.

I think the old blue gasoline was an excellent choice of colour. I cannot understand why that should have been a concern. As a matter of fact, maybe it should all be blue and then we would not have a problem.

In practical terms, I think the difference is that the actual dyeing is insignificant. I am told we are talking about 20 parts per million. It is a

dye that is nontoxic in the context of those dilutions. It will not cause a problem in any sense of the word in terms of pollution. Having said all that, I have to take the advice of others. I am not an expert in that regard at all, but if one just thinks of that context of 20 parts per million, it is rather insignificant.

We are talking about colouring an estimated volume of nine billion litres a year. As members know, we will be colouring the tax exempt fuel, which means that somebody on a highway should be using clear or uncoloured diesel fuels. If they have coloured fuel in their tank, they are probably using it illegally. That is really the whole name of the game. It will be a relatively simple system to follow through. It does involve some ongoing costs. There is no doubt about that.

I might add that we are the last jurisdiction in Canada to go this route, so we are not the leader in this regard. Quebec was the last jurisdiction that went to the coloured fuel system, and they did it in 1973, if I recall correctly. Even with the difference in fuel costs at that time and taxation at that time, their first year's increase in revenue was some \$15 million.

I think it is safe to say that people in Ontario are probably a little more legally inclined than in other jurisdictions, but when we consider the extra taxes that have come into being since 1973 based on the higher costs of fuel, annual projections of \$25 million of additional gross revenue are probably reasonable and feasible.

It is our view and that of the Treasurer, that there will be net revenue, even after all of these costs have been covered, in year one of the coloured fuel system.

Mr. Charlton: I get the basic direction in terms of how the minister is going to get at some of the additional tax dollars, but who is he going to have checking vehicles on the highways looking for coloured fuel in the tanks?

For example, one of the middle distillates he talked about was diesel fuel. In case he has not noticed, there is an increasingly large number of diesel domestic passenger vehicles available that people are buying. Presumably some of them are people who will have access to tax-free or tax-exempt middle distillate diesel fuel. Are you going to start stopping cars on the highways in this province to see if they have coloured fuel in their tanks? I want to understand how the process is going to work. What is going to be done out there in the real world to find this? You

have been talking about the elimination of all these people, who are going to be a part of the process. How does it work?

9:20 p.m.

Hon. Mr. Ashe: First of all, I am supposed to have said elimination of people. I do not think that is what I said, frankly. I said there would be an elimination of the paper war now necessary in the reporting system. It is true that will be replaced with a few more inspectors than we now have. They are going to be "dippers," for the sake of a better description. Part of their responsibilities will be checking at the point where the fuel is being coloured to make sure it is being done properly; to make sure the dye is being handled in a secure way; and they will also be checking on the consistency of the colour. There is an allowance allowed within what it should be, and that will be a very important part of their function.

At the same time, they will be checking at the distributor level, at the wayside station level, but to be very frank, they will be checking most particularly with the trucking industry. That is not to say they will not, on occasion, have an opportunity to check, or it may be suggested they check, certain people who operate private automobiles. As you well know, in many cases, in any tax system, part of the enforcement process comes about because somebody snitches on somebody else, saying, "Joe Blow is using something illegally," or "Joe Blow is claiming an exemption illegally," or "He is claiming expenses illegally." I am sure, on that basis, our inspectors will be reacting to that kind of concern and checking the odd private automobile, but this is not where we suspect or expect a great deal of the shrinkage has been occurring or where we will be expending a great deal of our inspectors' time. The shrinkage is much greater than that in size.

Another concern that appears in this shrinkage of revenue is not necessarily a problem at the consumer level that we hope to be able to find and eliminate with the new colouring system. It is the fact that people are suspected of buying tax-exempt fuel and selling it retail as a tax-paid item. This means the ultimate consumer is completely clear and honest in what he has paid, but instead of that paid tax coming to the provincial Treasury, it is going as a great excess profit to the middleman. Through coloration, we ultimately hope to be able to eliminate most of that.

We feel, other than in that aspect, it is at the truckers' level they are using significant amounts

of diesel fuel on a regular basis. With their large tankage, it is estimated that on some of these larger tractor-trailers there could be a tax avoidance as high as \$150 on a tank of diesel fuel. I am not using the term "gas," because, as I am sure all the honourable members know, we are not talking about gasoline as such but about the middle distillates, which include diesel fuels, stove oils, furnace oils and so on.

A very significant amount of avoidance can be made. For example, and I appreciate this is hypothetical and I am expressing it that way, I am told if an average middle-distance carrier in the trucking industry was using tax-exempt fuel instead of tax-paid fuel in one truck for one year, there would be an avoidance of \$12,000 of tax. That is one truck on the highway. I am obviously not talking about a little pickup truck, I am talking about a tandem-trailer type operation.

The amounts are significant, and as the price of fuel goes up and as the taxation component of that fuel goes up, we feel, and are very concerned, that the attraction of using a tax-exempt fuel rather than a taxable fuel becomes more and more attractive. The problem will be compounded rather than shrunk over the years ahead.

Mr. Charlton: I realize, Mr. Minister, that we are going to get to debate this bill in the very near future. One of the reasons I wanted to ask you about it tonight was because we can get into a cross dialogue in this kind of setting, and because I will have to make a recommendation to my caucus tomorrow morning on the bill. I wanted to get a few things straight in my head.

We have discussed some kind of reporting in relation to this bill a number of times in the past. I should mention that one of my former colleagues, the former member for Brantford, used to raise quite regularly with the Minister of Revenue—both in his role as the former revenue critic and even subsequent to that, after I became the critic—the whole question of tax slippage and tax loss. It is something we are very concerned about. Any of the objections any of us may have had to the bill, or may not have had, did not relate to whether or not the minister should be going after tax losses, but whether or not this was a logical or good way to get at it. That is one of the reasons we are asking so many questions.

In a situation like this, would the minister be prepared, a year from now, to report back with some kind of a breakdown of what he actually thinks he has gained as a result of the colouring

of the fuel. We go through that discussion with all kinds of different tax programs, but in this case it would be very interesting to see just how effective this specific program was in terms of actual gains in tax dollars, over and against the fact the ad valorem tax is going to be adding on tax dollars as well. We would like some kind of a breakdown, about a year after the bill goes into effect, to see how successful the program is.

Hon. Mr. Ashe: Needless to say, we would be very pleased and happy to report the progress on the implementation of the new fuel tax act. I just want to put in a word of caution when we talk about the period of a year. I know the member did say a year from the passage of the bill, but let me remind all the members that although we hope to have the bill passed within the next short while and have it receive royal assent before the end of this particular legislative session, it does acknowledge that it will take a significant period of time for the industry to adjust and acquire equipment, tankage, injectors and have it all in effect.

The new tax act really is not effective until September 1, 1982, so I do not know that next year's estimates will show anything to speak of, but they definitely will by the year after. We will be very happy to report back—possibly even before the time element of the estimates—to the Legislature on the results of the conversion from the present system to the new one.

Mr. Ruston: Just a clarification on that, Mr. Minister. Some of us were not listening as strictly as we should. Sometimes that happens around here, you know.

Is the colour going to be in the transportation field? Is that correct, or will the colouring be put in the fuel for heating?

Hon. Mr. Ashe: Heating is the word that is used, but that is not the criteria. The tax-exempt fuel will be coloured, but that could still include vehicles used on the farm or in commercial fishing, which are tax-exempt. Highway-used fuel will be clear.

9:30 p.m.

The Deputy Chairman: Is there any further discussion on this vote?

Mr. Haggerty: Yes, Mr. Chairman. On vote 802, item 5, taxpayer services: Does this include the advertising for the tax grant to senior citizens? If it does, what is the cost?

Hon. Mr. Ashe: Mr. Chairman, would the honourable member kindly repeat the question? I am not quite sure what it was. I know we are on vote 802, item 5.

Mr. Haggerty: Item 5 relates to the basic purpose of the taxpayer services branch, which is to assist the taxpayers in the tax revenue program and to resolve their related concerns, including providing a systematic distribution of tax information to taxpayers. That is the area I want to raise the question about. Does this include the advertising in all the local newspapers and weekly newspapers, the advice given to the pensioners on the property tax rebate?

Hon. Mr. Ashe: If the member is asking whether the cost of the advertising program is borne within this vote, the answer is no.

Mr. Haggerty: Where is that found, then? Is it listed in these estimates? I would like to know what it actually costs, since the ministry has been advertising for almost a year now.

Hon. Mr. Ashe: The actual cost of the advertising program is contained in vote 803, and we will come to it, Mr. Chairman.

The Deputy Chairman: So you will come to that in vote 803?

Hon. Mr. Ashe: Yes.

The Deputy Chairman: Is that satisfactory?

Mr. Haggerty: Well, I guess I will have to wait until that vote comes up, then.

I think I have one further question, if I can find it. Could the minister give a further explanation on vote 802, item 8, as it relates to transfer payments, grants under the Small Business Development Corporations Act? I think there is \$10 million for that, less recoveries of \$10 million from other ministries. That was in 1980-81, but I thought I read someplace that the cost was still there for the current estimates.

Could the minister enlighten us as to just what that entails? It is under item 8, transfer payments granted under the Small Business Development Corporations Act, \$12 million, and the recovery from other ministries is about the same figure. Could the minister explain just what this includes? Why is his ministry involved in this area when it seems that there is a special government agency to perform the activities and collect loans?

Hon. Mr. Ashe: The actual item referred to, of course, is the Small Business Development Corporations Act, which is an act introduced and administered, in the context of this assembly, by my colleague the Treasurer. The actual function of that program, the small business development corporations, is within the purview of the Ministry of Revenue. We administer the program on an ongoing basis, and I might

say that there are some 200 SBDCs now in operation. The actual revenue disbursed, if the member will recall the program, provides a 30 per cent rebate to investors and a 30 per cent tax credit in the case of corporations. We actually pay out that money, but we get it back from the Ministry of Treasury and Economics. So that is why the program has an offsetting figure of disbursements to revenue.

Mr. Charlton: There are a couple of other items I would like to raise with the minister under this vote. I don't know if you are in a position to do it tonight, but perhaps at some time during the course of the estimates you could give us an update along the lines of those we have had over the last couple of years on the Small Business Development Corporations Act. I would like to know about investments, types of businesses, number of businesses and so on.

Hon. Mr. Ashe: There are too many pages around here—including my own, which I cannot find.

I do have an update to October 31, 1981. As I indicated just a few moments ago, we have more than 200 registered small business development corporations, specifically 207. Of those there are 201 private and six public. At the moment there are 18 applications in process and there were a further 18 applications either withdrawn or rejected. The total number of applications, or proposals if you will, that we have received is 243.

I do not know if this is a very meaningful figure, frankly, but the total authorized applied-for capital is \$796,850,000. The total issued capital, which I think is the more important number, the actual dollars up front, is \$77,491,705. The grant tax credit commitment from that figure is \$23,247,511. As I indicated before, there is a difference between corporate and individual SBDCs, and of the 207, 203 SBDCs have individual investors and only four SBDCs have a corporate investor.

I think it is very significant the investment made in manufacturing and processing is \$41,328,000; in tourism activities, \$18,128,000; and in exploration and development and other prescribed activities, \$6,271,000. The total investments made by the SBDCs themselves number 245 for a value of \$65,728,000.

There is no doubt at all that this program has been well received and is, in my view, quite successful, much more so than the program it replaced. It has obviously appealed to different sectors out there. In approving and ultimately signing each SBDC for registration, it gratifies

me to see the number of what appear to be relatively small investors out there. They get together, in some cases three, four and five investors, and each put in \$5,000 for example and end up with an initial \$25,000 investment.

It is encouraging to know there is a vehicle now, not only for the million-dollar investors who are not the average person by any stretch of the imagination, but for these 25 people, for example, each putting in \$1,000. It has proved to be exceedingly successful and the interest and activity has not started to decline. It is ongoing and there is no great change from month to month in the activity that has been taking place.

9:40 p.m.

Mr. Charlton: On the surface, the figures seem reasonably impressive. Is there any additional data you could provide us with about the types of business and processes, the areas of the province and the jobs created? Is any kind of statistical analysis available?

Hon. Mr. Ashe: I am sure that can be provided. I did touch on the areas of investments made as far as the sectors are concerned. We could become more specific in the breakdown of the three sectors I identified: manufacturing and processing; tourism activities; and exploration and development and other prescribed activities.

We also have a breakdown of the various areas in the province where the investments have originated. There is no doubt the biggest number have been in the Metropolitan Toronto area. But they are from all over the province from the far north to southwestern Ontario. We would be happy to supply that.

Mr. Charlton: That is the kind of thing we would be interested in, whatever statistical analysis has been done. It would not be necessary for you to come back and read the whole thing into the record. If you could supply us with the information, it would be helpful.

There was something I asked the minister's predecessor about some time ago. It is about staff who would, I believe, have been working on succession duties and the Gift Tax Act, people remaining in the ministry working on programs for acts that had been withdrawn and taxes that had been got rid of, who were going through the process of winding down operations for outstanding claims and so on. There was some overlap and some people were unsure where they would end up and how long the interim thing was going to go on. Could the

minister give us some update on the situation with that staff and what has happened with the majority of them?

Hon. Mr. Ashe: The main area that has been winding down in the last number of years has to do with the corporation tax and the gift tax. Most of these people have been absorbed into other parts of the ministry and are just carrying through now. There are very few people, and I hope we will come up with the number in a minute, who are involved only with acts that are no longer in being.

For example, the succession duty and gift tax staff has been reduced from 87 in 1979 to 12 on October 1, 1981. To give you some indication how some of this staff has been utilized and transferred to other assignments, in the present small business development corporation complement we just referred to, that program is made up of several people transferred from previous succession duty functions.

You would probably be interested to know there were almost 1,000 unassessed succession duties files under review at the act's repeal in 1979, and more than 400 new ones have been received since. The unassessed inventory stands at something in the area of 70. As far as the future is concerned, a very small staff, as I have just indicated, will carry on the remaining administration, mainly dealing with about 1,500 possible contingent duty estate files.

These are primarily in the following categories: forgivable farm and business duty—462 estates have over \$13 million in duty for possible forgiveness during the next several years, and as long as they follow through on the family farm concept there is no problem; deferred duty—320 estates have deferred the payment of an estimated \$100 million in duty until some future event in each estate—for example, the death of the income beneficiary. I think this is an excellent indication that, when an act becomes redundant by its repeal, the activity per se does not just eliminate overnight the existing files and existing ongoing contingencies that have to be taken care of, but the staff complement, on an ongoing basis, is adjusted accordingly.

Mr. Charlton: On the same topic, you have indicated that most of the staff have been absorbed in other areas. Were there any of the staff at all who actually lost jobs as a result of the repeal of the two acts? By that I don't mean somebody who just did not want to take another job. I mean somebody who actually wanted to stay in the ministry and you could not find a place for them.

Hon. Mr. Ashe: I am advised the answer to that one is no. Everybody who wished to remain within the ministry has been accommodated in other areas of the ministry's responsibilities. I am also further advised that, even of the 12 people I indicated who are still working on succession duty activities, this is not the exclusive activity of any one of that 12. It is just part of other activities they are taking care of at the same time.

Vote 802 agreed to.

On vote 803, standard accounts classification:

Mr. Haggerty: Mr. Chairman, I was interested in the minister's opening statement relating to the Ontario tax grant for senior citizens. He said it continues to have a major impact on the ministry's operations, and gave some explanation of some of the causes for it. Following the recommendations I understand there has been an internal task force set up within your ministry to find out some of the problems that relate to the property tax grant rebate for seniors. Like other members, I have had numerous calls since the new program was initiated here a year ago and last spring, when they received their first cheque. Has the minister considered perhaps going back to the old procedure where it was handled by the federal government when they filed their income tax forms, and they received one cheque in a lump sum?

It was brought to my attention last week that a couple of pensioners had been complaining they had not received their first instalment. Apparently, they received a letter back from your ministry, indicating that a cheque had been cashed, and asking, "Is this your signature?" The pensioners did some soul-searching, and discovered they had cashed the first cheque but had forgotten they had received it. Reading the advertisement in the papers, "Have you filed your application?"—perhaps this is a problem some of the seniors have—they have forgotten they received the first cheque, and are still making inquiries as to why they have not received it, as in this case they had.

I wonder if it is not better to go back to the old method you had. It was very successful. The ministry did not need staff here to administer it. It was handled by the federal government.

9:50 p.m.

When income tax was filed, it was a simple form that all pensioners understood. It is nice, when the cheques are received in the spring and at the end of the year—it would be nice for

Christmas time. But when I look at vote 803—and I am sure I misunderstand this—it says the guaranteed income tax grants program estimate for 1980-81 was \$89,000,473, and this year it is \$401,000,000 and some. Would it jump that much?

Hon. Mr. Ashe: What page are you on?

Mr. Haggerty: I am on vote 803—that is on your explanatory notes there. If the minister could just take a look at that. The other area is that a number of persons are having difficulty in getting their sales tax rebates. Some have not received it as yet, and I am sure other members have run into the same difficulties. They do appreciate the help they receive through the ministry staff looking after this, but the biggest complaint I get from the pensioners is they can get the number and there are a number of lines that they can get, but they cannot get through. Why have so many lines there if all the calls cannot get through?

I suggest to the minister there is a problem there. They can spend days and days trying to get through and the line is always busy. There is one way to resolve it and that is to go back to the old method. Let them file their income tax here in January, and pay them the one lump sum for the sales tax and for the pensioners' rebate. I think that would solve all the problems. Perhaps the minister could reduce manpower in his ministry by doing it. Let the federal fellows handle it. It worked very successfully in the past, and there is no reason it cannot continue.

Hon. Mr. Ashe: There were several points raised there. I am not sure I found the specific number the member was referring to, whatever it was. I think the confusion is that he is putting together two different programs. He is looking at the numbers relating to the guaranteed annual income system that we also administer—the Gains program as it is referred to—and confusing it with the property and sales tax grant for Ontario pensioners.

The property tax grant and sales tax grant program, as I am sure all members are aware, are completely different programs. The Gains program is an ongoing program, and our estimates on that program for the fiscal year 1981-82 are something less than the actuals for 1980-81. We paid out in actual in 1980-81 \$103,332,900 and our estimates for this year are \$100,000,000, a decrease of \$3.3 million.

The property and sales tax grant for Ontario pensioners—yes, there are various debates by the members opposite as to which system is the

most practical. The previous system was done through the income tax form versus the new program. I think, being fair to the issue, there are pros and cons to both systems. I think it safe to say the old shoe is somewhat easier to fit into than a new shoe, so the new shoe takes a little breaking in and takes a little adjustment.

I think that is exactly what we are going through with the property tax grant system as it is now, and to a lesser degree the sales tax grant. Having said all that and acknowledged the shoe does get broken in, I think ultimately we end up with a program that better delivers to our clientele a sum of money more appropriate to their needs at the time when they probably need it the most.

We are recognizing in the new system that the people are getting their money sooner than they were when they were claiming it back through their income tax form. Instead of getting it in the following year, they are getting it in the year in which their expenses are occurring. That is, I think, a significant advance. For example, in this year of 1981, under the old system they would not have got their tax credit until approximately April of next year. This year most people got an interim grant in the spring and most of them have gotten, or shortly will get, the second half of their grants in the fall of this year. The program delivers the funds in the same year. The previous program delivered it in the following year.

There is a form to fill in to claim the property tax grant. Familiarity with it will develop. We are finding, as I mentioned in my remarks earlier, that the error rate this year is 50 per cent of what it was last year. I would go so far as to suggest it will be 50 per cent of that again next year as the program becomes more mature and people become more familiar with it. I think it is also safe to say, if one looks back at how people filled in their income tax forms, that the client group in that category also made significant errors there as well.

Although they still have a form to fill in it is a specific form for a specific purpose. They know it is going to generate a cheque. Many of these people had to wait to file an income tax form for that sole purpose. They were not taxable otherwise. They did not have to fill in a tax form before, except to claim their property tax credit. Overall, I think we are delivering a better service to more seniors in a more appropriate way and at a more appropriate time with the new program.

Having acknowledged that, it is going to take

a little while. Even this year, now we have reduced the error rate on the applications to 20 per cent, we are below the error rate experienced by federal income tax filers.

I am told that, for those who file federal income tax forms, there is an error rate of 30 per cent. We exceeded that last year. We had 40 per cent. This year we are down to 20 per cent. I do not think that example of errors being made or of having to fill in forms or so on is any longer an issue. We are already ahead of the game on that. I think we will be further ahead of the game by next year.

There is no doubt the new program delivers more money to more people. Granted, and I acknowledge it, it delivers less money to some people. It is a philosophy of what the plan is all about. It is designed to return all or part, as the case may be, of rent or property taxes. That is exactly what this plan is designed to do. Similarly, being able to return \$50 in the way of a sales tax grant I think is more attractive to most people than the previous program.

Although philosophically we can debate back and forth which plan and which method of delivery was better, I think it is safe to say with another year of this program under our belts this one is now, and will continue to be, much further ahead and offer more benefits to the recipients than the old program.

As far as the problems in getting through and making contact on inquiries is concerned, I think I touched upon that in great detail in my opening remarks in acknowledging we had some limitations and problems. I think it is safe to say most people who phone now probably will not have great problems. I do not mean they are going to get through the first time because we are still getting a lot of activity. There is no doubt about it. But I think they have a better opportunity to get through.

Being in a time of fiscal restraint we have to be reasonable and responsible in the level of service we provide. I indicated in my remarks that last year we had 26 telephone lines dedicated to these forms of inquiries. This year we increased it to 29.

Similarly the trained staff made available to this program was increased significantly this year. To take the next step would require not only a great additional capital outlay, but a considerable monthly cost for a facility we are going to be vacating in the coming months. It would be a wasteful investment of taxpayers' funds to invest in the area of \$100,000. That would be the initial month's investment to

increase our capabilities. In our new facility in Oshawa we will be able to have these additional capabilities and facilities to respond to inquiries.

10 p.m.

I think we all have to keep in mind—and I tried to allude to it in my opening remarks—that we are dealing with a client group that can be easily upset. I am not trying to belittle that at all. There is no doubt one of the criteria—and I think all honourable members have acknowledged it to me personally and in many ways—is that when Mrs. Smith finds out that Mrs. Jones, Mr. Brown and Mr. Green have already got their cheques, she becomes concerned even though her own may have been in only for two or three weeks. We made it abundantly clear on the applications, through the whole process and even in our advertising program which was significant, that the program was designed to deliver a cheque, under all normal circumstances, in eight weeks. Only a very small percentage has not met that goal.

When it has not been met, in most cases some other problem has caused the delay, including, I might say, even in the odd case applications that have gone completely astray. Who knows. Did we lose them? Were they not mailed? Were they lost in the post office? Who knows? There are a few that fall into that category. It is unfortunate but it is factual.

But I sincerely believe that, considering the vagaries of the Canadian postal system and all other related situations, that what we have—

Mr. Haggerty: You have to blame it on somebody.

Hon. Mr. Ashe: Sure, we will blame it on the feds again. Why not? In fact, we have a pretty fair system that we are rationalizing and making better as time goes on.

The honourable members may be interested in what some of the problems were on last year's forms in the 40 per cent that I referred to. In the problem type in last year's program, omitting occupancy costs, the main criterion, was 54 per cent; the signature was missing on 18 per cent; the mutilated or spoiled application that was unreadable for one reason or another accounted for only one per cent and more than one problem or miscellaneous items of a lesser total than one per cent, all put together totalled 27 per cent for a total of 100 per cent of the errors.

Again, we will do a similar comparison after the substantial completion of this year's program. I am sure if it indicates we can design a

better form for next year, we will do so. One of the reasons for the significant reductions this year was the redesign of the form to try to offset and compensate for some of the errors and omissions that happened in the 1980 program.

Mr. Charlton: Mr. Chairman, I do not want to get into a long rant about the seniors' tax grants, but we have had a couple of opportunities already this year to debate that whole question when we had the amendment bills in the House. But one of the other reasons why there were far fewer errors on the forms this year—if other members' offices were anything like mine—is because large numbers of those forms were filled out in our offices. Information was passed on by your ministry to our staff, I will grant, in order to facilitate that process.

But another area under this vote concerns me much more than the administrative problems in the seniors' tax grant area. That is the whole area of the tax credit programs which have not been altered at all for the rest of the people in this province. The minister will recall, even though he was not the minister at the time, that a year and a half ago when the seniors' tax grants were being introduced, we raised some serious concerns about the other people in this province on low and fixed incomes, people on provincial disability pensions, et cetera.

We were concerned if and when there was going to be some kind of an upgrading, even if it was under the tax credit program, of the amount of return that they would get. There is even an extension of that, the whole question of people in this province who used to get property tax and sales tax credits and no longer get any, or who now get a very much reduced amount on that credit, even though their real income may not have gone up at all in relation to the cost of living. They may, in fact, have lost ground and still lose the credit just because of an increased income, because of the fixed base figure in the tax credit formula calculation.

My question to the minister is, is the ministry doing any analysis of that tax credit program to see who are the people who are affected by it or used to get it but no longer get it? Is there any discussion going on between the ministry and Treasury about possibly upgrading that program to more reasonably reflect the current economic situations in the province?

Hon. Mr. Ashe: In the context of the tax credit program as it now exists to what existed previously, as the honourable member mentioned, there is an ongoing dialogue about the philosophy of the change. Where the distinction

has come in is what the whole program was about to start with, whether it was just to benefit the tax program per se or whether it was designed to give some credits towards accommodation costs in the broadest sense. I do not know whether that difference in philosophy or opinion will ever be rationalized.

As the honourable member knows and has acknowledged, ultimately any changes in this regard will be in the context of a statement from the Treasurer in his budgets from time to time, the next one presumably being six months away, more or less. I know that is always one of the considerations of the Treasurer when he is looking at the equity of these programs.

Similarly, there is no doubt, if we look at the old basis of a complete tax credit and the new basis of tax credit plus tax grant, we are paying out more money now in total than we did before, albeit, and this is again part of the debate, some people are getting less but more people are getting more.

To be honest, in the context of whether any dialogue is going on in the sense the member means that, I would have to say "no." The Treasurer is aware, as much as I am, of the issues that are raised within this Legislature, even in the sense that when I get correspondence on that issue, I quite correctly acknowledge it and then pass it on to the Treasurer for further consideration and response.

Whether there will be a change in policy as to property tax credits in the future, I guess only time and budget considerations will tell. As I talked about before in a different context, there is no doubt at all, if you give more credits in this area and you have to end up with the same bottom line in tax revenues, you have to raise the money somewhere else. Whether the present system will be enriched in the upcoming budget, I do not know, except I know it is always part of the ongoing considerations in the budgetary process carried out by my colleague the Treasurer.

I am sorry I cannot be more specific, but that is because I just cannot be. I can assure the honourable member that when inquiries or concerns come to my attention along those lines of a change in the amount of the tax credit, or who should or should not be allowed to get it, I do pass them on to the attention of the Treasurer so that they become part of his budget considerations.

10:10 p.m.

Mr. Charlton: I realized the minister was not going to be able to tell me specifically whether

there was going to be anything in the budget next March. That is why I phrased the question, "Have any discussions been going on?"

Can the minister tell me specifically whether his ministry has done any analysis of the people in this province who have got lesser grants than they used to get? Has the ministry done any analysis of the way the grant that people have got has changed? It is one of the things that has always concerned me, whether you want to talk about it as a straight tax measure for the redistribution of income or whether you want to look at it as assistance specifically with the cost of housing and/or property taxation.

For example, the way the tax credit system in this province is structured you may have somebody who, although his income is substantially higher than it was in 1974, is now earning less in real economic terms than he was in 1974. Put another way, he may be paying a far greater percentage of his gross income in rent and property taxes than he was in 1974, and he may no longer be getting any tax credit at all.

Has any analysis been done of the whole program to show the changes in the kinds of people and the economic status of the people to whom this tax credit applies and who get some benefit from it?

Hon. Mr. Ashe: To answer the member's question of whether we can identify those people who are paying a greater percentage of their real income for accommodations than before, I do not think we actually do that kind of analysis. We are capable of supplying—and I do not know that I can do it tonight, but I am sure we can do it, and I am sure the member has seen it before—the number of people who are getting more, the number of people who are getting less and the number of people who are getting about the same. We do have those figures; they have been discussed in this Legislature on previous occasions.

But getting down to the actual percentage of income spent for accommodation to real income and how it compares to a previous time frame, say 1973 or 1974, I do not think we have done anything in that regard. I suppose anything can be done if you want to utilize all the figures available. I am not trying to pass the buck to Ottawa here, but they have the personal income tax form, which is probably a more appropriate vehicle for collecting that information, and I am sure they do have it right now in their normal analysis of the personal income tax forms that are filed not only in Ontario but also in every other jurisdiction across Canada.

Mr. Ruston: Mr. Chairman, there is always a kind of conflict or problem with regard to those over 65 who are farming and who have their farm tax rebate involved. They may get a cheque for \$500 from the senior citizens' tax grant, but if their farm taxes are \$1,600 and they have received \$500 they then apply for a grant towards their farm taxes, which under the farm tax rebate program is normally 50 per cent of their taxes.

I know that two ministries are involved here, but I just wonder if the minister can give me his understanding of how that operates. From what we have gathered, there seems to be some conflict. I am not sure if everyone who was contacted has had his problem straightened out yet. One day while I was in my office, there seemed to be a conflict from the Ministry of Revenue as to how that balance was taken care of and whether there were any grants towards it on the farm tax rebate. Does the minister have that information?

Hon. Mr. Ashe: Frankly, the issue seems to be very fair and equitable to me. Let us use a specific example to keep it simple, in nice, round numbers. If the taxes are \$1,000, the question is, should they get \$500 from us and \$500 as the farm tax rebate? The answer to that is no. What happens is they get the \$500 from us and they get half of the balance as the farm tax rebate. This means they still end up with a net tax of only \$250, which is quite generous. That is the way I understand the program is supposed to work.

I have had inquiries, usually by members on behalf of constituents, saying they should have received both: \$500 from one half of the \$1,000 and the other \$500 being still available, for a total of \$1,000 and, therefore, resulting in no net tax. There has even been the odd one who has received the wrong amount of money because of the wrong numbers being used, which I am sure has been completely unintentional. It is not designed to pay everything, but the two programs can come together so they really do get the benefit from both but not on the gross amount. It is only on the net amount after the property tax grant has been paid.

Mr. Ruston: The minister's understanding of it is exactly the same as mine, and I think that is the way it was solved. So that is fine.

Mr. Worton: Mr. Chairman, as the minister has said, this is a new program and there are a number of kinks to be ironed out. I think it is fair to say the new form is a little simpler than it was

last year. On top of that, I think it is also fair to state that the minister's staff is very courteous in trying to correct these problems.

I wish to know what it would cost if we opened up our pocketbook and said to every taxpayer or every person who is entitled to it, "We will pay you \$500 across the board;" that is, \$250 twice. One of the problems we do encounter is that they get it in two installments, as has already been mentioned, and some of them forget the first one. When we write to the head of the program, he sends us back the cancelled cheque showing they got it.

The other problem I am running into now is with constituents who are calling me to say they are getting a tax return to fill out from the Department of National Revenue when the minister's predecessor certainly indicated that would not be the case, that they would not need to fill out an income tax return.

I appreciate that the Department of National Revenue can send you a form any time and ask you to complete it. Can the minister give us any thoughts as to what it would cost us if we made a straight grant of \$500 in two installments? It must cause a lot of paperwork to adjust for those who are getting less in either senior citizen accommodations or small homes that are less than \$500 in taxes.

Hon. Mr. Ashe: Mr. Chairman, based on what we are paying out now in the average tax grant, to go to a straight \$500 for everybody would add something in the area of \$54 million gross. There are about 540,000 at \$100 average; so there would be \$54 million of additional costs. One can assume there would be some reduction in program delivery costs; so I would suggest somewhere in the ball park of \$50 million would be the extra costs involved in a straight delivery of \$500.

10:20 p.m.

Mr. Newman: Mr. Chairman, I want to ask the minister whether, in setting up the plan, he considered using the local offices in some municipalities rather than having them call Toronto on the Zenith number. Constituents of mine have complained that there was no point in trying to get the Zenith number since the line was busy all the time.

In the bigger municipalities there are assessment offices and Revenue offices. We could have calls directed to, in my instance, a Windsor number so the individual could get an explanation for the question he wishes to pose rather than attempting to get through on the Zenith number and being unable to do so.

Hon. Mr. Ashe: There is no doubt that is exactly what some people do anyway, Mr. Chairman. They call the local office, whether it be a sales tax office, an assessment office or even the Province of Ontario Savings Office. I appreciate the accolades given tonight as to the co-operation and assistance of our staff at head office. I think the same would hold true for the majority of the staff in most of these other offices.

The problem in having them get the information directly arises from our not having the capability of keeping an up-to-date data base that the various offices can access. The program of calling the central area was developed so there could be access to the information to answer the questions as they arose. In many cases, people are calling the central Zenith number to have assistance, believe it or not, in the completion of the application.

Although we find the volume is down this year, a lot of the calls are taking longer because our staff are taking the time to work through the application form with the people. Where one might think a call would take two or three minutes, it is taking 10 minutes. That is what is tying up the lines. It is not the increase in volume. It relates more to the length of each call. I do not know what the answer is.

No doubt the answer is the fact I have given. We do not have available within the regional offices the data we have attempted to accumulate with the capabilities of the central line. That has had its problems. There is the volume. There are lines that are busy. In some cases, even after people got through, they found out that our access information, some of our equipment, was down.

It all comes back to the limitations of our present facilities which we hope will be rectified with our increased capabilities next year. Everybody would acknowledge that when one is operating systems in quarters with temporary lines strung here and there in the way of terminals, they have a tendency to break down more often than one would like.

This has happened and has meant some people call in, eventually get through and then, unfortunately, the person they are dealing with says: "I will be very happy to take down the information and get back to you. I cannot get the data now, because the machine is down." We are hoping to overcome that and to refine those things a little more next year.

The program has worked better this year. That is well illustrated by the greatly reduced

number of forms that are incomplete and by the way we have been able to get back much more on the telephone to people to correct the errors or shortcomings on their application forms.

This has taken time. Other than things such as people not having signed their forms—obviously we cannot sign their forms for them; we have to send them back—in most cases where there are obvious mistakes in numbers, or deficiencies in the information supplied, or omissions of the information supplied, we have attempted to get to the people where at all possible. In some cases it is impossible, because the number is not there or there is no one there during business hours. We have attempted wherever possible to complete the application form and to get it on its way by way of a personal contact rather than having to rely on the mail.

There is no doubt that all of this has taken time. When we are talking about the volumes that we have, in excess of 500,000 for the property tax grants alone, that is a lot of people and a lot of paper. I am not even talking about the sales tax cheques, which do not involve an application but which still have involved the odd problem among the approximately 846,000 cheques. It is a lot of cheques and a lot of people. All in all, the error rate has been exceedingly small.

There is no doubt that we, as members, and the members opposite us, have had the questions, the concerns and the errors brought to our attention. By year three it will be that much better than year two, and I assure the members that year two has been considerably better than year one. It is not perfect, and I do not think, based on the data we have to go by and the clientele and human nature we are dealing with, we will ever get 100 per cent accurate; it is impossible.

Even when we get a list today, which is the most up-to-date list from the federal government—and that is our base file, do not forget; it comes from the old age security file—it is already out of date. Unfortunately, there are people who died yesterday, today and the day before; there are people who moved in that same time frame. So it will always be inaccurate, from the day we start working with it. That has caused some of the problems too. We are sending out applications to people who do not exist or who have moved.

All of these things, when they come together all at the same time, give an impression of a greater percentage of inadequacy than does exist. It is not perfect.

Mr. Newman: I accept the minister's comments and I know they are true. I have only tried to suggest that in the larger municipalities he should have one or two staff members in there. I am not saying that we mind handling them through our constituency office, and when we have problems we contact the minister's office and get the utmost of co-operation from the staff. Some people refuse to go to a constituency office and would rather call a local office.

In some municipalities, the local office might be a partial answer to improving the service the constituents get, even though there is not too much room for criticism with what they are getting now.

On motion by Hon. Mr. Gregory, the committee of supply reported certain resolutions.

The House adjourned at 10:28 p.m.

CONTENTS

Monday, November 23, 1981

Committee of supply

Estimates, Ministry of Revenue, Mr. Ashe, adjourned.	3801
Adjournment.	3822

SPEAKERS IN THIS ISSUE

- Ashe, Hon. G. L.; Minister of Revenue (Durham West PC)
- Charlton, B. A. (Hamilton Mountain NDP)
- Cureatz, S. L.; Deputy Speaker and Chairman (Durham East PC)
- Haggerty, R. (Erie L)
- Newman, B. (Windsor-Walkerville L)
- Philip, E. T. (Etobicoke NDP)
- Robinson, A. M. (Scarborough-Ellesmere PC)
- Ruston, R. F. (Essex North L)
- Worton, H. (Wellington South L)



Ontario,

LEGISLATIVE ASSEMBLY

No. 107

Legislature of Ontario Debates

Official Report (Hansard)



First Session, Thirty-Second Parliament

Tuesday, November 24, 1981

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Tuesday, November 24, 1981

The House met at 2:02 p.m.

Prayers.

FOREIGN INTERFERENCE

Mr. Shymko: Mr. Speaker, I rise on a point of privilege on a matter which is so serious to me that I would like to have the opportunity in the life of this parliament to address my honourable colleagues. I certainly would be most willing to even be deprived of opportunities to speak in the future, to be given the time to address this House today.

We have parliamentary immunity in this chamber to speak freely and express our opinions, but we also have the right to speak outside of this chamber in freedom.

I have been attacked by a foreign publication and I have two copies which compare me to the assassin of His Holiness, Pope John Paul and the perpetrator of the attempted assassination of President Reagan. It is a most vicious attack against my person, a form of psychological terror, hate literature, in a Soviet publication called *News from Ukraine* which is published in the Soviet Union. It has a distribution of approximately 100,000 copies in Canada, 20,000 copies in both English and Ukrainian in the area of southern Ontario. This is the second such attack against me.

The concern I have is that it was not very long ago the honourable member for Riverdale (Mr. Renwick) addressed this assembly about the need to extend the mandate of the Ombudsman committee to include the discussion of human rights. I know there are many honourable members who are concerned about the violation of human rights in many parts of the world, and if there is to be an open discussion inside or outside committees and if foreign governments are to interfere in such a vicious manner to try to psychologically blackmail an individual from speaking out, I would like to have the support of my colleagues.

This publication, side by side with the first article that appeared—

Mr. Bradley: My local newspaper does that to me.

Mr. Shymko: The difference is that we have an opportunity to sue for libel against any

publication that speaks in a defamatory manner here in Canada, but I cannot challenge this type of attack against me or against any member of this Legislature in court.

I have consulted the Attorney General (Mr. McMurtry) and the office of the Premier (Mr. Davis), and I have thought about whether or not I should raise this issue on a point of privilege, because my safety and the safety of my family are threatened through the allegations that you read. The first article, called *The Career of a Politico*, published two weeks before the federal election in 1979, was the first vicious attack. In consultation I was told not to raise this issue, not to spread this hatred beyond the limits of this publication. I did not.

On June 6, 1979, I was approached by the first secretary of the Soviet Embassy in Ottawa and the representatives of *Novosti Press*, *Izvestia* and *Pravda*. They told me frankly that I should never run in an election in this country. They interfered directly by dictating to me that I not become involved in the free electoral process.

I thought this matter had been cleared up. And yet after the provincial election the second article, called *The True Face of Mr. Shymko*, appeared recently, distributed once again to defame me in a most violent manner by comparing me to criminals and assassins. In all conscience I cannot remain silent on this issue, because by remaining silent I would become a partner to the lies and deceit of these publications.

I know there are members in this House who are very concerned about the violation of human rights in other parts of the world. I have had an opportunity to listen to the concerns of the member for Cornwall (Mr. Samis), who is concerned about the violation of human rights in places like Haiti. I have listened to the concerns in committees and in personal discussions that the member for Hamilton Centre (Ms. Copps), for example, has about the policies in South Africa.

If in voicing these concerns I am, or any of these members is, subjected by a foreign power to the distribution of this kind of hatred to silence us, the only recourse we have, since we do not have it in the courts, is to speak in this assembly. I ask to have the support of my

colleagues, the Attorney General and the Minister of Culture and Recreation (Mr. Baetz), because this literature is found in all the libraries of this province: it is found in at least four libraries I have personally visited in the city of Toronto, including the main library.

I cannot understand why they would have done this except through their constant reference to a publication I prepared and delivered to the president of the United Nations General Assembly in the fall of 1978 entitled *A Resolution Concerning the Decolonization of the Union of Soviet Socialist Republics*. They make constant reference to this.

In these papers, right beside the first attack on me, is a vicious anti-Semitic article, which maligns such distinguished members of our society as Phil Givens and makes constant attacks on individuals, organizations and institutions. But the viciousness of the anti-Semitism, for example, that is printed in this publication, is astonishing. And it has thousands of copies distributed by our post office through registration number "8856 news."

2:10 p.m.

I do not know who pays for this; apparently it is shipped from East Berlin. We do not know the exact circulation figure of this publication. It is as vicious as the Ku Klux Klan. Members may recall that when I personally objected to the KKK message being voiced over 11 radio stations in Ontario, the Premier's office received a letter from one of the prominent stations asking that I be fired from the advisory council because I spoke out.

At least I can speak and I can raise this issue with Canadian organizations. I have no such recourse in this case. I ask the Attorney General to assist me, as I have requested, by meeting with the federal Solicitor General, to look at the hate literature criteria that we have, and to see whether I can have some assistance.

In conclusion, there is a release from the United States embassy in Ottawa, dated October 9, 1980. I would like to quote from a text entitled *Publication from the US State Department document called Soviet 'Active Measures'—Forgery, Disinformation, Political Operations*. In it, specifically, is the only rationale I have for this. They refer specifically to this type of operation being carried on at the highest level. The program of the Canadian Broadcasting Corporation, The KGB, showed an example of that operation, and said that recently there has been a stream of these Soviet active measures, called in Russian, *Aktivniye Meropriyatiya*.

It says, one, "The approach used by the Soviet government includes outright and partial forgery of documents, the use of rumours, insinuations, altered facts and lies," which this article is;

Two, "The activities are designed and executed by a large and complex bureaucracy, in which the KGB and the International Department of the Communist Party of the Soviet Union Central Committee are major elements," which points to direct intervention about my person by the representatives of the Soviet embassy;

Three, "Moscow seeks to discredit opponents of the Union of Soviet Socialist Republics, those who are critical of human rights and other areas, and to undermine these individuals, the institutions and their values;

Four, "They use as provocations, Soviet friendship and cultural societies." The society that publishes this is called the Association for Cultural Relations with Ukrainians Abroad. They use these organizations to oppose policies in individuals and leaders in governments whose activities do not serve the Soviet interests;

Five, "In some cases the operations have failed because targeted individuals," such as myself and others, "or governments, have responded effectively," which I am trying to do on this point of privilege.

It continues: "However, these Soviet active measures have had some success and they remain a major, if little understood, element of Soviet foreign policy. Unless the targets of Soviet active measures take effective action to counter them, these activities will continue."

In conclusion, there is a philosophy I hold and it is one that is shared by everyone here. In trying to understand the rationale of attacking me as viciously as I have been attacked, when a person passionately believes that justice, equality, tolerance, compassion, liberty and peace are not visions but attainable goals, this is a faith in man's ability to conquer all things as well as his own limitations.

It poses mighty challenges to some governments, such as the Solidarity movement that threatens those established powers based on force, to control the destiny of man. I see no other reason why someone like myself, and other members in the future, would be threatened by foreign governments.

Mr. Speaker: Order. The honourable member has raised his point of privilege, without making a major speech, and I thank him for drawing this to the attention of all the members.

Mr. Sargent: It was a setup. He set it up. He cleared this with the House before he started, didn't he?

Mr. Speaker: Do you have a point of privilege?

Mr. Sargent: Yes. In 20 years I have never seen anything like this, where the Speaker allows a guy to go on like that.

Mr. Speaker: Order.

BOXING GOLD MEDAL

Mr. Speaker: Before the routine proceedings, I would like to take this opportunity to introduce to all members of the House, and ask all members of the House to join me in welcoming Mr. Shawn O'Sullivan, who is the winner of the gold medal for amateur boxing in the World Cup boxing championships. He is accompanied by his parents, Mr. and Mrs. Michael O'Sullivan, his trainers, Mr. Peter Wylie and Mr. Ken Hamilton, and many friends of the Cabbagetown Youth Centre.

I would ask all members to recognize them.

Mrs. Scrivener: Mr. Speaker, on a point of order: Members will be pleased to know Shawn O'Sullivan is the first Canadian to win the gold medal in 49 years. Nineteen years old, he is a student at the University of Toronto. Absent today is John Raftery, a student at Queen's University, who won the bronze medal in his class. His brother Barry is here to represent him today.

Through their skill and courage both young men have brought great honour to this province and to the Cabbagetown Youth Centre where they received their training. They are an inspiration to the hundreds of young people who engage in a variety of sports programs at the Cabbagetown centre. The programs and the centre were funded through Wintario grants given through the Ministry of Culture and Recreation. It is interesting to note that Peter Wylie, the trainer for Shawn and John, is a member of the Metropolitan Toronto Police Force emergency task force.

Mr. Hennessy: Mr. Speaker—

Mr. Breithaupt: Don't tell him he may end up like you.

Mr. Hennessy: No way.

Mr. Speaker, I would like to take this opportunity to congratulate Shawn O'Sullivan. It is a very difficult sport. One has to participate in it to realize the effort one has to make to win a

championship. I was fortunate enough to represent Canada at the Olympics. There are a lot of sacrifices one has to make to be a champion—

An hon. member: See what it did to you.

Mr. Hennessy: The member is all right with his mouth. I know Shawn is a very dedicated performer. I would like to tell Peter Wylie, Ken Hamilton and his mother and father, who took a great interest in the young man's future, that he has a good career in front of him. We all wish him the very best. He brought honour to Ontario and to Canada by winning the gold medal.

ESTABLISHED PROGRAM FUNDING

Mr. Wrye: Mr. Speaker, on a point of privilege: I am sorry the Minister of Colleges and Universities (Miss Stephenson) is not here. I waited to see if she would come in. I wish to correct the record with reference to the minister's statement in the House yesterday. I quote briefly the statement she made, "Over the last few years of the term of the agreement on established program funding, the federal contribution to health and post-secondary education in this province has been only a little over 44 per cent of the total amount contributed to those two sectors."

In fact, the minister has made two important errors. First, she has ignored the transfer of tax points under EPF, each amounts to \$1.6 billion. This is the room that Ottawa has agreed to vacate in order that the province might raise revenue. The Treasurer (Mr. F. S. Miller) himself understood this when he explained in his budget last May that it would be incorrect to include only the cash without acknowledging tax points.

I quote one sentence from the budget, "The growth the provinces receive from EPF," said the Treasurer, "is generated by the tax plus cash total, not the cash component alone. It is the former that has been used in evaluating the financial experience under EPF." Clearly by ignoring these tax points, the minister has made the province's contribution look \$1.6 billion greater. If we consider the tax points as part of the federal contribution, which they are, then the federal contribution is not 44 per cent but 68 per cent.

Second, and even less excusable, is the minister's failure to segregate user fees, that is, Ontario health insurance plan fees and tuition costs, out of the province's contribution. User fees for both health and education equal \$1.4 billion. When we separate the user fee part of

the total provincial expenditure on health and post-secondary education, the respective contributions by both Ottawa and Queen's Park are 85 per cent federal and 15 per cent provincial.

2:20 p.m.

In other words, once we have stripped away the numerical camouflage, the facts show that out of every dollar spent by government for health and post-secondary education here in the province—

Mr. Jones: A little party line.

Mr. Speaker: Order. I think you have made your point on correcting the record. Order.

Mr. Wrye: If I just might conclude, Mr. Speaker, by saying further on the subject of post-secondary education alone, if you will just bear with me for a second, I am tabling the facts and figures upon which we reached the conclusion that Ontario's share of university funding has fallen to a mere five per cent as of 1981.

Mr. Speaker: Thank you.

Hon. Miss Stephenson: Mr. Speaker, in response may I suggest to the honourable members that sleight-of-hand with figures will simply not wash.

HANSARD INTERJECTIONS

Mr. Mancini: Mr. Speaker, you may recall that some time ago, early in the session, I rose on a point of privilege to bring to your attention the manner in which the director of Hansard treats interjections made in the House. You may also recall that the member for York South (Mr. MacDonald) joined in the debate and you promised the House you would look into this situation.

The very point I was concerned about has now come to pass. I informed you I was quite concerned about having the director of Hansard put himself in a situation where he must decide whether or not an interjection would appear in Hansard—namely an interjection coming from the Premier or from a cabinet minister. He may or may not feel some kind of political pressure for not having the interjection recorded in Hansard.

Last Thursday, the Minister of Housing (Mr. Bennett) and I engaged in an exchange in the House. I clearly heard the interjections made by the Minister of Housing. I am sure the Hansard reporter on the floor at the time also heard the interjections. It was very important to me to have those interjections appear in Hansard as I wanted the record to show what the Minister of

Housing had said. To that end I sent a note to the Hansard reporter on the floor asking if she had heard the interjections.

Today I received a silly memorandum from the director of Hansard informing us, and I quote, "I should point out that members frequently engage in discussions across the floor of the House, and that these are not considered part of the debate." Mr. Speaker, as to the history of the Hansard recordings of this House, this is totally incorrect.

Until recent times the interjections have always formed a part of the debate. In many cases the interjections are just as important as the debate. I find it very offensive that the director of Hansard can put himself in a situation where he does not record things said by the Premier or members of the cabinet. If we, as opposition back-benchers, were put in the same position, could we expect the same treatment? We do not know.

Mr. Speaker: Order. I think you have made your point. You did draw this matter to my attention. You may recall in the very incident to which you refer I did not hear what was said. But obviously the two members were becoming quite agitated and I did call the minister to order. To this end, I would just like to point out that all interjections are out of order.

I would like to make another point, the policy of the Hansard Reporting Service, with regard to recording interjections, is similar to that of most other major jurisdictions and is based upon guidelines approved by Mr. Speaker and the Board of Internal Economy. The difficulty of recording and reporting the growing number of interjections has escalated in recent years and after consultation with successive Speakers of the House and Hansard staffs in other jurisdictions, the policy was adopted of recording only those interjections that evoked some response from the member who has the floor and which, as a consequence, form part of the debate.

This policy was discussed extensively at meetings of the members' services committee in the last parliament but despite requests for guidance, there was no general agreement about how interjections should be treated. The committee polled other jurisdictions across Canada and the response indicated most of them were treating the reporting of interjections in much the same way as we do at Queen's Park. No clear agreement or recommendation emerged from that committee and after considerable further deliberation the guidelines now

enforced were approved by Mr. Speaker and the Board of Internal Economy. If my memory serves me correctly, it was in November of 1979.

Mr. Nixon: On the point of order if I may, Mr. Speaker: I certainly don't want to question your statement nor indicate a faulty memory on your part because I feel sure you have looked it up very carefully. But as a member of that board, I do not recall ever approving a concept for the recording of interjections other than it is a responsibility of Hansard to take down the words that are spoken.

The only time that cannot be done is when the House becomes more or less a *mêlée* with people on all sides shouting. In that case, it would be humanly impossible for Hansard to take down all of the pearls that are cast on each side. But in instances where the interjections are clearly made, whether they are in order or not, it was always my understanding they formed a proper part of the record as it would be taken down and printed in Hansard.

Mr. Martel: Mr. Speaker, you will recall that in this House about a year and a half ago, there were some interjections put into the record which were found objectionable by certain members who heard them. At that time the House leader for the government and his colleagues on the Board of Internal Economy decided the best way to eliminate the interjections from being picked up was to remove what we call the garbage track which picked up all the interjections. One did not have to rely on someone taking notes but just go back to the Hansard office and listen to the tapes. The government in its lack of wisdom decided the best way to eliminate the interjections was to remove the garbage track.

I objected to that then because there were a lot of racial slurs going on and I felt we must know who made them. I was the only one who objected to the garbage track being removed from the Legislature.

Mr. Mancini: Could I speak to this, Mr. Speaker?

Mr. Speaker: It is finished.

Mr. Mancini: On a point of order—

Mr. Speaker: There is nothing out of order. I gave you the information that I had made available to me, based on a decision prior to my occupying this chair. You are out of order.

STATEMENTS BY THE MINISTRY INSTITUTE FOR HYDROGEN AND ELECTROCHEMICAL SYSTEMS

Hon. Mr. Welch: Mr. Speaker, this afternoon I

am pleased to inform the House that we have entered into a contract with the University of Toronto for planning and development that will lead to the establishment of an Institute for Hydrogen and Electrochemical Systems in Ontario.

I think honourable members will be interested to know the institute we intend to create will be the first of its kind anywhere in the world. We believe it will put us in the vanguard of hydrogen research and lead to Ontario becoming a world leader in the development, marketing and use of these new and exciting technologies.

On several occasions our government has announced its interest and support of the role hydrogen could play for this province. Members may recall that early in the new year we announced our intention to prepare Ontario for the transition to an economic system based increasingly on electrical power and nuclear technology. We outlined the role of the Board of Industrial Leadership and Development in a policy document called "Building Ontario in the 1980s." Stated in that BILD policy framework was our intention to establish an institute for the study and development of hydrogen systems.

2:30 p.m.

In the speech from the throne on April 21, 1981, we reaffirmed our commitment to the establishment of a hydrogen institute and stated that approaches had been made to the federal government, suggesting a joint funding program. Negotiations are proceeding in this regard at the present time.

Slightly more than a month ago, I tabled a synopsis of the Ontario Hydrogen Energy Task Force. I am sure many members have taken the opportunity to study the synopsis and find it as thought-provoking and timely as I do.

As I told honourable members on October 16, the report of the task force confirms my belief that Ontario is in a strong position to assume the role of world leader in the development of hydrogen energy systems. As a province we have the good fortune of having established an energy mix that could be used to make us masters of the approaching electricity-hydrogen age.

We in this House know we do not have much oil or gas in the province but we do have electricity—and lots of it—from hydraulic and nuclear power. This good fortune, coupled with the success of our internationally-renowned Candu reactors, our substantial supply of ura-

nium and our sophisticated manufacturing industries, puts Ontario in an enviable position to expand our use of hydrogen.

For what purpose? First, to build an energy system unique and indigenous to Ontario. Second, many eminent international thinkers say it is the energy system that will be used progressively throughout our planet; Ontario can lead this evolution. That is what excites me the most about the role of hydrogen in this great and wonderful province of ours.

At a time when all the people of the province recognize the importance of environmental quality—from the quality of the air we breathe to the quality of the lakes in which we swim—I would be remiss if I did not identify the very positive environmental impact of using hydrogen in place of fossil fuels.

When hydrogen is used as a fuel, the waste produce—that is, the exhaust—is simply water. If Ontario can lead the world in using hydrogen, it will also lead the world to a cleaner and brighter future.

As I told the House a month ago, I was very pleased to see that the report of the Ontario Hydrogen Energy Task Force supported my proposal that a hydrogen institute should be established. We expect such an institute will attract experts from around the world to join with Canadians in this task. Their work will put Ontario in the lead in developing the systems to produce, distribute and utilize this new fuel.

The institute will act as a catalyst to mobilize the resources of government, industry and universities. The institute will make every effort to encourage the private sector to enter into joint programs so that products can be developed and manufactured, not only for the Canadian market but for a worldwide market as well.

In other words, we see the role of the institute as paving the way for a new industrial sector in this province, based on hydrogen applications.

The institute will also undertake a co-ordinating and management role for all future Ontario hydrogen development projects and ensure their integration and co-ordination with my ministry's previously announced alternative fuels program.

As members may recall, it was last October when I announced a 10-point, \$165-million program, which included a \$75-million, five-year alternative transportation fuels component. We defined a clear role for hydrogen in the transportation sector, which has been confirmed by the conclusions of the hydrogen task force.

The task force concluded that the cost of hydrogen is projected to escalate more slowly than forecast Ontario prices for carbon-based fuels; thus, in the long term, the economic prospects for the use of nonfossil-derived hydrogen for transportation are attractive. When one considers that transportation accounts for 50 per cent of crude oil use in Ontario this is a very exciting concept.

The first major initiative we announced last spring under the alternative transportation fuels program was the signing of a contract with the Urban Transportation and Development Corporation to develop hydrogen storage and fuel systems and then to equip two demonstration transit buses to use the new fuel.

I have said this in the House before but I think it bears repeating in light of today's announcement: It was 75 years ago the government of Ontario anticipated the importance of electricity in a modern society and moved to harness our abundant hydraulic endowment. Eighteen years ago, this government grasped the significance of developing a Canadian nuclear program to secure an indigenous energy base and to further strengthen Ontario's leadership in electricity.

Our hydraulic and nuclear capabilities now place Ontario in a very fortunate position in the electricity-hydrogen age. I wish to refer honourable members to a report called *Energy Alternatives*, which was prepared by the special committee on alternative energy and oil substitution for the Parliament of Canada in the spring. Here is a quote from that report which I think will be of particular interest to all of us in the House this afternoon:

"There are two energy currencies which can be derived from all the alternative energy sources which we (the special committee on alternative energy and oil substitution) have considered. They are electricity and hydrogen. We see these two currencies dominating Canada's energy mix in the long term because they satisfy our criteria for determining the direction a new energy policy should take."

I hope all members will join with me in wishing the planning group for the Institute for Hydrogen and Electrochemical Systems well as they undertake the very important task of setting up the institute over the next six months. The group will be led by Dr. David Scott, who has just completed a five-year term as chairman of the department of mechanical engineering at the University of Toronto. Some honourable

members may already be aware of Dr. Scott's impressive qualifications and keen interest in the development of hydrogen.

I believe this announcement today is one more example of this government's commitment to a secure energy future for Ontario, its stated intention to lessen our dependency on crude oil, its commitment to encourage new high-technology industries and its concern for our environment. The establishment of this institute, I believe, will be seen in time as one of the most important and far-reaching energy undertakings ever made by any provincial government in Canada.

TRIBUTES TO ALAN ALBERT RUSSELL

Hon. Mr. McMurtry: Mr. Speaker, it is with deep sadness that I inform members of the Legislature of the death of Alan Albert Russell, QC, who served this province with dedication and commitment for 30 years.

Mr. Russell, a University of Toronto graduate, served with the Canadian Army in the Second World War, before joining Ontario's civil service. He served as solicitor to the inspector of legal offices, as inspector of legal offices himself, as an assistant Deputy Attorney General, and he was Deputy Solicitor General before his retirement at the end of 1979.

In addition, Mr. Russell was an active member of the Canadian Bar Association and the St. John Ambulance, and was first vice-president of the Civil Service Quarter Century Club.

Working in all parts of the province, Alan Russell was unstinting in his service to the citizens of Ontario. He was a humane and compassionate man who earned the respect of all of those who were privileged to work with him and to know him. His delightful and very special sense of humour was always an important and effective ingredient in the undertaking of his many vital tasks.

We are indeed all indebted to him. I am sure all members of this House will join me in offering condolences to his wife, Nora, and other members of his family.

Mr. Breithaupt: Mr. Speaker, with respect to the condolences that we bring from this side of the House, may I say that I got to know Alan Russell rather well over the years. We served together on the provincial finance committee for the Order of St. John.

He was, as the Attorney General mentioned, a very humane and compassionate man whose sense of humour and dedication, particularly to that area in which I knew him, was unsurpassed.

Indeed, he was a fine public servant. He will be missed not only in the other activities but also by many friends who will be shocked and saddened by his sudden passing.

Mr. Cassidy: Mr. Speaker, I wish to add my voice on behalf of the New Democratic Party in extending condolences to the family of Mr. Russell and to express our sorrow with his death and our gratitude for the services he has given to the province.

I know that the member for Riverdale (Mr. Renwick), who could not be here today, would have wanted to have his voice added as well, as a colleague in the law and because of Mr. Russell's contribution to the law and to this province.

2:40 p.m.

ORAL QUESTIONS

Mr. Speaker: The member for Kitchener.

[Applause.]

ASSISTANCE TO ELDERLY WOMEN

Mr. Breithaupt: It is all right, Mr. Speaker; they will get used to it. In any event, I will probably get more votes from over there too.

I have a question for the Provincial Secretary for Social Development (Mrs. Birch), in the absence of the Minister of Community and Social Services, who was in his seat but I guess has left the chamber briefly.

Mr. Breaugh: Here he comes walking through the door now.

Mr. Breithaupt: Then to the minister: The minister is aware from recent press reports, and from yesterday's report by the Ontario Status of Women Council, that some 200,000 elderly women in Ontario suffer the hardship of grinding poverty. He knows that Ontario's meagre dole to the aged widow in Metropolitan Toronto falls some \$1,600 short of a decent income, as found by the Social Planning Council of Metropolitan Toronto.

What promise will the minister keep in respect to this cry from the poorest of the poor in Ontario? Will he decide to alleviate this suffering and in this case go beyond the inadequate eight per cent increase given November 1 and enrich Ontario's guaranteed annual income system, family benefits and general welfare payments for this particularly needy group?

Hon. Mr. Drea: First, Mr. Speaker, one of the prime considerations in the social assistance changes in the fall of this year in the category of taking the permanently unemployable person

up to the disabled rate was the fact that a large number of the individuals who had been classed at the lower rate as permanently unemployable were in the aged single female category.

Second, I am, and have been for some time, looking at—I still call it by its old name—widow's allowance for the female who is classed as a single person for any number of reasons and who is above the age of 60. I want to take a look at that. Quite frankly, I do not think any increase in general welfare assistance would be particularly beneficial to this group.

I think, though, one of the things that should be taken into consideration is that in the larger areas, such as Metro Toronto, a considerable proportion of the needs, particularly in shelter, are met at a reduced rate. So the spread between the poverty line and what they would receive from any combination of social assistances, federal and provincial, is not necessarily accurate.

There is no question either about the inadequacies of both public and private pension plans, in that most of them started after these people were able to get into them, and this is a category we are looking at.

The honourable member also should be aware of the fact that there is a marked discrepancy in terms of the lifespan and the numbers of females, not only those over 65 but also those over 60. However, while we may be able to meet some temporary needs, it is obvious that welfare or social assistance, except in the case of disabled persons, is not really the legitimate answer to this question if those people are to have the type of dignified senior years they should have.

Mr. Breithaupt: May I remind the minister of a statement by the Treasurer (Mr. F. S. Miller) several days ago in a dialogue on pension reform? He said:

"First, let us ensure that the problems of the existing elderly, particularly single people, can be taken care of by adjusting income guarantees from guaranteed income supplement and through provincial programs such as Gains. This will be a main priority in our pension reform efforts. Government alone has the responsibility and resources to solve it."

In the light of that statement and in view of the minister's concern for the group that was formerly in the widow's pension class, that is, including single persons as well, will the minister act now and get the Treasurer to encourage an immediate enrichment of provincial aid for the aged widows in particular so they can live in

dignity and comfort and so it can be done in 1981, this year, before Christmas? Can we not have some changes at least committed so this problem will be alleviated?

Hon. Mr. Drea: First of all, not all of them qualified because of age for the old age supplement, the guaranteed income supplement or Gains-A, the guaranteed annual income system payment for the aged. This is a perplexing part of the problem because of the arbitrary age delineations for a single person.

I think what the Treasurer was commenting on in the context of those remarks was the period after 65, particularly because of the longevity of the lifespan of the female and the fact, which I think is also well known to all the honourable members, that in terms of being an active, independent person, the female's span is also much greater than that of the male.

The particular aspect the Treasurer raised is one that will have to be addressed. But at the same time there is a limited number who are eligible for social assistance, and that is one of my responsibilities.

I do not think there is any argument in this House that the existing pension plans are not meeting the need. To change both the public and the private plans, there is nothing we can do literally in 60 days that will be meaningful to those whom the member was talking about.

It is the responsibility of this ministry. Indeed, one of the doors we opened in September was that there is no more universality in social assistance. We would have to meet needs based upon the particular segments of the population on a priority basis. We are looking into this question. Our role as a ministry is the only effective way to have a stopgap until the long-term things that are necessary can be brought into place.

Mr. McClellan: Mr. Speaker, I want to ask a supplementary if I can understand all the mishmash from the minister.

If the minister is looking for something he can do within 60 days, why does he not implement the recommendation of the select committee on pensions that the single Gains rates should be increased to 60 per cent of the married rate to get the singles on Gains in this province above the poverty line? Is that beyond the government's capacity?

Hon. Mr. Drea: Mr. Speaker, this is the second time that this honourable member has addressed a question to me knowing it is outside my jurisdiction. The first time the question of

the Gains-A payments came up was three or four weeks ago. When I asked the member afterwards why he would ask me, he said it was because the Speaker would not let him ask the Minister of Revenue (Mr. Ashe).

The payments and determinations under Gains-A are in the jurisdiction of the Minister of Revenue. They are not part of my ministry.

Mr. McClellan: Never mind the crocodile tears.

Mr. Cassidy: What a government! Are you responsible or not?

Mr. Speaker: Order.

Hon. Mr. Drea: I have the greatest of difficulty in here. As I said before when this very thing was asked, I cannot speak for the Minister of Revenue.

Mr. Peterson: If I may, Mr. Speaker, I wish to redirect my question to the Premier, because each minister asked about this question seems to try to slough off the responsibility to someone else. It is obvious, if people are not being looked after under Gains or GIS, that they end up as cases for the Ministry of Community and Social Services, but each minister is passing the buck.

In view of the Haley commission's report and the select committee's recommendations on this subject, why does the government not move tomorrow on Gains so that at least we can rectify to some small extent the problem we are all so very aware of?

Mr. Speaker: I respectfully suggest that question was out of order. You cannot redirect.

Mr. Peterson: Then why did I waste all that energy?

Mr. McClellan: When it was also my question.

Mr. Speaker: Indeed.

2:50 p.m.

ONTARIO ENERGY INVESTMENT

Mr. Breithaupt: Mr. Speaker, I have a question for the Minister of Energy, who will recall the comments made Thursday last. In lauding the many virtues of the Suncor purchase, he mentioned an upgrading of Suncor's Sarnia refinery. At that time the minister said that some \$350 million was to be expended on that project, all of which was made possible, in his own words, "because of the Canadianization of the company, and we are involved in that."

I ask the minister, however, whether he is aware that Suncor had made a commitment to the federal government as early as May 1980 to

upgrade its Sarnia refinery and that the decision was made to upgrade because of the necessity to phase down the production of heavy oil; it had nothing to do with Canadianization. Why does the minister take credit when the credit belongs to someone else?

Hon. Mr. Welch: Mr. Speaker, I am at some disadvantage in that I do not have the Suncor press release here. I sense that the honourable member asking the question does. If he will read, I think, the second paragraph of the Suncor release itself—because that was the source of my comments in that debate—he will find that it talks about \$1.5 billion over three years. They earmarked the \$350 million for the refinery.

In that second paragraph, if memory serves me correctly, they attribute their involvement in this increased rate of investment to a couple of factors; one was the more favourable terms under the Canada-Alberta agreement, and the second was that the company was now on its way to Canadianization. They attributed their interest in making these substantially increased investments in Canada to those two factors.

Mr. Breithaupt: In a lengthy letter printed in the *Globe and Mail* of which he was the apparent author, the minister comments: "As well, to table this confidential information could undermine the ability of Sun Company Incorporated to sell the other 26 per cent of its shares so that majority ownership and control can be held in Canadian hands."

Is the minister trying to tell us that he cannot allow others to know the information on which he bought his shares in case they do not want to buy it? Or is he trying to say that if he let the information out, people would realize he should not have bought in the first place?

Hon. Mr. Welch: I am very pleased that the honourable member took the time this morning to read the letter with the care that he obviously has. Under the circumstances, in responding to his question, I thought I might use this opportunity to say how much I appreciate the fact that the letter was published.

I am going to use this opportunity as well to say that I will be writing to the editor to indicate that I am sorry there was one part left out of the letter which deals with the very point the member raised, namely, confidentiality. In the course of that letter, after the paragraph dealing with confidentiality to which the honourable member refers, I went on to write and share this in my letter:

"It is useful to recall what the Royal Commission on the Freedom of Information recommended in cases such as this, and I quote:

"We recommend the adoption of the following exemptions relating to commercial information: (a) A governmental institution may refuse to disclose a record: (i) containing a trade secret or other financial, commercial, scientific or technical information obtained from a person, if the disclosure of that information could reasonably be expected to prejudice significantly the competitive position, or interfere significantly with the contractual or other negotiations, of a person, group of persons or organization."

I think it was unfortunate that this was left out of the letter this morning, because it talks about the reason why we are respecting that agreement.

Mr. Smith: On a point of order, Mr. Speaker: A question was asked by the member for Kitchener precisely with regard to a paragraph in a letter. You heard the question. He said that if giving out the information will deter other people from buying it he wants to know if the facts are so bad that other people will not buy it or if the facts so bad that he should not have bought it.

That question has not been even remotely approached in the minister's answer. He went on to talk about a totally different paragraph that should have been in the letter. Surely you can call the minister to order and not give him 15 minutes to stand up and avoid answering a question.

Mr. Speaker: Order. I just point out that the Leader of the Opposition is as well aware as I am of the standing orders pertaining to the answering of questions by ministers.

Mr. Cassidy: Mr. Speaker, the minister knows perfectly well that this recommendation of the Commission on the Freedom of Information and Individual Privacy was not at all directed to situations where there was a major investment by the people of the province—

Hon. Mr. Welch: I don't know that at all.

Mr. Cassidy: Well, it certainly was directed only to companies where the information happened to come into public hands.

As a potential shareholder of Suncor, putting a \$600-million investment in there, I am concerned about the fact that my company has just reported that for nine months its profit is down to \$50 million from \$255 million in the same period last year.

Mr. Speaker: Question?

Mr. Cassidy: My supplementary to the minister is this: So that I can find out what is actually happening with this company, of which we are to take 25 per cent, is it the government's intention to bring supplementary estimates into this Legislature so that we can decide whether, and how much, to vote for the purchase of Suncor, or does the government intend to buy into Suncor without seeking legislative approval?

Hon. Mr. Welch: Mr. Speaker, I think the honourable member understands—in fact, he has participated in the debates on this matter up to now—that there are all kinds of information that is public, and that has been included in the tabling—

Mr. Foulds: All kind of information, but not the truth.

Hon. Mr. Welch: I beg your pardon? Not the truth?

Mr. Foulds: Not the truth; only wrong information.

Mr. Smith: Not the whole truth.

Mr. Foulds: There is a difference between information and truth.

Mr. Speaker: Order. I suggest that the minister answer the question and never mind the interjections, please.

Mr. Cassidy: Will you bring in supplementary estimates? Yes or no?

Mr. Speaker: Order.

Hon. Mr. Welch: As far as the disclosure of information is concerned, we have already dealt with that. The honourable member knows the transaction is being done under the statutory authority provided to the Ontario Energy Corporation.

Mr. Smith: Mr. Speaker, will the minister take this occasion either to refuse to answer these questions or to provide the answers that were asked for by the member for Kitchener?

In the first place, with regard to the refinery for which the minister took credit and which he said would not have been upgraded without his deal, will he admit, as the member for Kitchener pointed out, that they had already been committed for more than a year to do that very upgrading because of the heavy oil problem and because of federal policy at the time, and that it had nothing to do with his purchase? Will he admit that or else refuse to answer?

Second, will the minister explain to us how making the facts known to the public will deter a purchaser from buying 26 per cent of the shares? Are the facts that bad?

Hon. Mr. Welch: Mr. Speaker, although I can appreciate that the Leader of the Opposition came in on the question a bit late—

Mr. Smith: I heard it outside, very clearly.

Hon. Mr. Welch: That perhaps will be the member's permanent position: on the outside listening to what is going on.

If the member really had listened to the question, he would have understood something was being attributed to me with respect to that statement, which I was drawing to his attention, that was in the body of the Suncor news release.

Mr. Smith: No, no. On Thursday you said it.

Hon. Mr. Welch: I was quoting. Perhaps I will give the member for Kitchener an opportunity to bring him up to date. It is a news release I was using from Suncor, making reference to Canadianization.

Mr. Smith: You said it in your statement to the House.

Hon. Mr. Welch: Well, I think the member should use the news release too that I was quoting from. It says so right in Hansard.

Mr. Speaker: Will the minister address himself to the question, please, and never mind the interjections?

Hon. Mr. Welch: I thought I was perhaps being helpful to the honourable member, because he presumes to know what was being asked.

With respect to the disclosure, we are talking in terms of the fact that we have retained professional people to give us advice with respect to our negotiations, which we think is privileged information in so far as it deals with others who may be seeking an opportunity to buy into that matter as well.

As far as the upgrading is concerned, there is no question that there has been a fair amount of interest expressed in this country about the need for heavy oil upgrading. I assumed, on the basis of that release, that what Suncor was doing was establishing some timetable for it and was giving some attribution to the pricing agreement between—

Mr. Smith: Not so.

Hon. Mr. Welch: The member will have to read the press release and then perhaps ask me the questions.

Mr. Smith: On a point of privilege, Mr. Speaker: I am going to quote from Hansard, because the implication is being made here that we are somehow distorting what the minister has said. At page 3712 of Hansard, he says: "With respect to the employment implications

in Ontario"—and then he goes on to speak about the press release and so on—"we see that some \$350 million is to be spent in Sarnia." Then he talks about the number of jobs: "This will involve 1,000 direct construction jobs at the Suncor refinery at the height of the project. . . Is that not interesting for Ontario?" Then, referring to the release, the minister says, and this is the key: "He !the president of Suncor. says all this is made possible because Canadianization plans for his company are well under way, and we are involved in that. It is a very positive step."

3 p.m.

Hon. Mr. Welch: That is what the press release said.

Mr. Smith: Whatever the press release said, if one looks at the 10-K document supplied by Suncor to the Securities and Exchange Commission in Washington on March 31, 1981, it says plainly that as of September 30 they were already committed to the upgrading of the refinery in Sarnia—

Hon. Mr. Welch: When? To start when?

Mr. Smith: I will provide the document. Because of the fact that the government of Canada has an established—

Mr. Speaker: Order. This is deteriorating into a debate. The member for Ottawa Centre (Mr. Cassidy) with a new question.

Mr. Smith: Mr. Speaker, you let the member for High-Park Swansea (Mr. Shymko) stand here with his self-congratulatory nonsense—

Mr. Speaker: Order. You are out of order.

Mr. Sargent: A new form of closure, eh?

Mr. Mancini: You had no right to turn the microphones off.

Hon. Mr. Davis: We don't turn them off.

Mr. Speaker: The member for Ottawa Centre has the floor and will please proceed.

AUTOMOBILE INDUSTRY

Mr. Cassidy: Mr. Speaker, I have a question for the Premier. Yesterday, he blamed some of the shortfall in jobs in the St. Thomas area on market conditions in the automobile industry.

I want to ask the Premier whether he is aware of the report by Mr. Neil MacDonald on the medium-term employment outlook in the automotive industry, a report that was prepared for the federal Labour Market Development Task Force and is now under serious study by the federal government. It forecasts that employment in the automobile industry in Canada

could drop to between 50,000 and 55,000 workers by 1990, or half the level that existed in 1980.

In view of this new evidence of the structural problems in the automobile industry, is the government now prepared to take some new long-term initiatives to restore jobs in that industry?

Hon. Mr. Davis: Mr. Speaker, we have debated this subject on a number of occasions. I have not read Mr. MacDonald's report. We have debated in this House the long-term future of the automotive industry. I can only express a personal point of view based on discussions I have had with people in the industry, with members of the United Automobile Workers and others. I remain far more optimistic about the future of the automotive industry than some others.

Mr. Cooke: Based on what?

Hon. Mr. Davis: If the member for Windsor-Riverside (Mr. Cooke), in representing that important segment of the economy of this province, wants to be totally negative about the future of the automotive sector, so be it.

I suggest to the leader of the New Democratic Party that when it comes to giving encouragement to the automotive industry in terms of both the major producers and the auto parts sector, I question whether any other government in North America has done as much as we have. I ask him to show me any government that has done more to encourage the development of the automotive sector than the government of this province. He will not find one.

Mr. Cassidy: Does the Premier recall the leaked report from the Ministry of Treasury and Economics which came out a year ago about the 1985 shape of the motor vehicle industry? In that report the ministry itself forecast employment in the industry would be down to between 63,000 and 67,000 workers by 1985. Now we have another forecast which suggests it will be down to 50,000 by the end of the decade.

Will the Premier say what has happened to the large-scale review of the industry's prospects and problems which the Treasurer said was under way in his mini-budget a year ago and which has yet to result in any new and effective policies to maintain and improve jobs in the automotive industry?

Hon. Mr. Davis: This gets around to one of the basic problems in the automotive industry which, as I explained to the leader of the New Democratic Party, was not easy for this gov-

ernment to resolve. That is the question of domestic markets in North America, the question of how many Americans are buying automobiles.

With great respect to the honourable member, the automotive sector in this province is somewhat dependent upon consumer attitudes and purchases in the United States. That may have escaped him, but it happens to be a reality that even he should be able to understand.

Mr. Smith: Then why did you reduce the sales tax in Ontario?

Hon. Mr. Davis: I would like to show the Leader of the Opposition all the comments we have had from dealers across this province and from the manufacturers.

He can oppose it all he likes. I just think he should consider himself very fortunate that he is not maintaining his position as Leader of the Liberal Party because he would be decimated by these people. Now where was I?

Interjections.

Hon. Mr. Davis: I could give the leader of the New Democratic Party one example that was sort of a worst-case scenario developed by some people who were studying the automotive sector. If he looks at that very carefully, he will find some dire predictions about American Motors. He will find, if I have the same report in mind, that since the preparation of that report American Motors US and American Motors Canada have entered into a modest agreement with Renault, which was not anticipated by the authors of the report. If all goes well, this will add growth for American Motors Canada. I happen to know a little bit about that problem.

There are still some difficulties with that relationship and finality with respect to it, but that report—and I just used one example—was very negative about the long-term future of American Motors. Am I right?

That picture has changed, and there is reason to be optimistic about the—

Mr. Cassidy: This report suggests only 40,000 jobs by 1990.

Hon. Mr. Davis: I know what it is, and the honourable member always likes to look at the worst-case scenario of every single subject. That has been his prime motivation all his political life. But in spite of his dire predictions, in spite of his negative attitude and that of his party, this province has produced more jobs in this past year than even we had anticipated. We do not minimize the economic difficulties, but

the long-term future of the economy of this province is very healthy, including the automotive sector.

Mr. Wrye: Supplementary: Mr. Speaker, the Premier (Mr. Davis) will be aware that just yesterday General Motors announced the indefinite layoff of more than 300 workers at its transmission plant in Windsor, and a temporary layoff of almost 400—a total layoff of more than 700 workers. At the same time they announced they would be delaying expansion of that plant until early spring, and reducing the number of trans-axles that it has been making back down to 2,000.

What is the Premier doing to ensure that any cutbacks in the expansion programs by the automotive industry will not be confined to Canada, which would further cripple the automotive industry here in Ontario?

Hon. Mr. Davis: Mr. Speaker, I think the Minister of Industry and Tourism (Mr. Grossman) would be delighted to reply in more definitive terms. I have the figures before me, if the honourable member wants me to send them to him, with respect to the number of layoffs in the American facilities of General Motors, Ford and Chrysler. The figures will show rather conclusively that the companies are dealing with this in a very even-handed fashion.

If we take Chrysler as an example, and the honourable member should be aware of this, their plant in Windsor is the one plant that has gone on double shift because the consumer market in the United States, for some reason or other, has decided it wants more of the larger-sized vehicles rather than the smaller ones. I cannot explain this, but it just happens to be that at the moment Chrysler in Windsor is the beneficiary. As I sense the attitude of the companies, Ontario is not being singled out. The layoffs in the American facilities have been as significant, on a percentage basis, or perhaps even higher.

To get back to the point I tried to make to the Leader of the New Democratic Party, who does not understand it, the situation in the automotive sector—and we are not minimizing it; it is serious—does relate to the number of vehicles being purchased by Americans in the United States. As a layman, I would relate this consumer reaction directly to the interest rates in the United States. This province, in relative

terms, is being treated fairly, and there is not a higher percentage of our workers being laid off temporarily in this province than in the States.

Mr. Foulds: That makes it good, does it?

Hon. Mr. Davis: No, it does not make it good, but at least we can be honest about it.

Mr. Foulds: What are you going to do about it?

Hon. Mr. Davis: Why don't you buy a new car?

Mr. Foulds: What are you going to do about it? You are the government for at least the next three years. Why are you so defensive?

Hon. Mr. Davis: How long did it take you to buy a North American-produced car?

Mr. Nixon: When was the last time you paid for one?

Hon. Mr. Davis: My wife just bought one.

Mr. Speaker: Order.

Mr. Cooke: Mr. Speaker, we know just how badly things are going in the auto industry when the Premier talks about the positive aspects of the auto industry. He talks about the Chrysler plant which has been at work less than 50 per cent of the year so far, and says that is a positive aspect of the auto industry.

I would like to know when this government is going to introduce a policy, a long-term strategy, for the automobile industry, and in particular the auto parts industry? The Premier will be aware that Mexico has introduced content rules which now has made it the fastest-growing automotive jurisdiction in the world.

3:10 p.m.

Is the government prepared to press the federal government for content rules and in so doing, also institute a policy of expansion in our auto parts firms, through direct investment, through adequate research and development to create the 25,000 to 30,000 jobs associated with just 85 per cent Canadian value added requirements?

Hon. Mr. Davis: Mr. Speaker, it is kind of intriguing that the member even acknowledges there are 25,000 jobs available if this were to happen, because his leader was just giving us totally different figures.

I would say a clear demonstration which they opposed as a party, and probably individually, was the encouragement given by this government to Volkswagen to locate in Barrie. They

are opposed to it. I understand it but it is a clear indication of what this government has been able to accomplish.

Mr. Martel: You did not answer the question. You are all over the ball park.

Mr. Speaker: Order. New question. The member for Ottawa Centre.

BILD PROGRAM

Mr. Cassidy: Mr. Speaker, I have another question for the Premier about the Board of Industrial Leadership and Development program.

Yesterday the Premier said the BILD program was designed to deal with specific sectors and talked about the food-processing sector. He said that \$8.5 million have been spent there and said after six or seven months BILD is having an impact.

Was he referring to the fact that Southland Canning in the Windsor area has now gone into receivership after receiving a \$350,000 grant from the BILD program to go into the tomato paste program? Or is this not more evidence that the BILD program is floundering before it even gets off the ground?

Hon. Mr. Davis: With great respect, Mr. Speaker, I was not referring to that. The honourable member knows full well the commitment of \$8.5 million covers many aspects of the processing industry. I met with the processors yesterday. If he does not believe me he can go and talk to them. I think he would be most welcome. He might even learn something.

Mr. Cassidy: Supplementary, Mr. Speaker: Could the Premier explain how it is that the civil servant most associated with creating the BILD program, Duncan Allan, now the Deputy Minister of Agriculture and Food, could say a few weeks ago: "Damn it all. I sometimes think maybe the answer is that we have got to have a publicly-owned or co-operative plant big enough to be able to get into that market and compete with the multinationals." He was referring specifically to the area of tomato paste after \$350,000 had gone into a firm which is now in receivership.

Why is it the government keeps trying to convince people in this province the BILD program is going to turn the economy of Ontario around when the evidence all around us is that it is not going to work? Even the author of the BILD program is turning his back on it.

Hon. Mr. Davis: With great respect, I asked the member for Downsview with respect to de

Havilland—we can go through it chapter and verse if the member has the time and the House will permit. The minister would be delighted to go through it, item by item.

As I said yesterday, if the members opposite would listen to me very carefully, the BILD program has singled out certain sectors of the economy. Do they want me to go through them again? The processing industry is an area one can single out as being insome difficulty, but members can ask the processors about their acceptance of the plan and what we have been doing. We have committed \$8.5 million. My guess is that we will reach the five-year program within 12 months. In fact, the Treasury will probably be asked to allocate additional funds for the food processing industry.

I know the leader of the New Democratic Party is opposed to the BILD program. He is opposed to it because it is working. This is totally consistent with his philosophy, has been and will continue to be and I am not even going to try to change his mind.

Mr. Mancini: Supplementary, Mr. Speaker: Does the Premier not agree with me there is a tremendous need in the Windsor-Essex county area to have a more diversified economy to get away from being so highly dependent on the automotive industry? And does he not agree we are in a unique position there to support a huge tomato paste industry which could bring many new jobs to our area?

Could we have his assurance that, although this one cannery was unsuccessful in obtaining a market for tomato paste, this will not discourage the government investing more money in the Essex county area to take advantage of the tremendous farm land and the highly productive farmers who can fill the gap and displace imported tomato paste? Can we have the Premier's assurance that this one company's lack of success is not going to sour the government on its program? We need assistance in this area.

Hon. Mr. Davis: Mr. Speaker, I cannot recall, in debating the Board of Industrial Leadership and Development program, a more enthusiastic endorsement from a member of the opposition than that we have just received. I recognize the unique characteristics of Essex county and of Windsor. I will not tell him how unique I think it is in some respects, but it is unique.

If he is saying that one bad experience should not deter us from giving leadership and encouragement to the development of the agricultural sector—not only in Essex, but in Kent, Elgin,

Middlesex, Peel, and so forth—of course we will not let that discourage us. I am delighted the member understands what we are attempting to do and is so totally supportive. He should talk to his friends from Essex over there and get their endorsement as well.

Mr. Cooke: A supplementary question, Mr. Speaker: There is a great deal of concern amongst tomato farmers in Kent and Essex counties as to whether there will be a purchaser for their tomatoes next year because this plant has gone under. Will the Premier commit himself or have his minster investigate the possibility of entering into direct investment with the farmers in the area to set up a co-operative to keep this plant going?

Hon. Mr. Davis: Mr. Speaker, the plant is still operating, as I am sure the honourable member knows. If he is asking whether we as a government will do our best to ensure a market for the excellent product in Essex county, the answer, of course, is yes. I assume, in spite of the member's hypocritical observations when he is at home and here—

Interjections.

Hon. Mr. Davis: Oh, I am sorry—contradictory observations. I assume the member would agree with the former member and that if we found something was viable he would encourage BILD initiatives to assist the farmers in Essex county as well.

McMICHAEL CANADIAN COLLECTION

Mr. Smith: Mr. Speaker, I would like to direct a question to the Minister of Culture and Recreation on the McMichael matter. The minister will be aware that as a result of the press conference by Mr. Taylor today there seems to be an issue developing as to the degree of influence the McMichaels are to have in the conduct of those aspects of the collection that have to do with the aesthetic values.

Would the minister agree that in the original agreement the advisory council was to consist of five persons: the McMichaels, two crown appointees and a chairman agreeable to all four persons? Would he agree the spirit of that was to be maintained in the act that was passed which said the board of trustees could have five to nine persons? The board was increased to nine but all appointments were to be made either at the suggestion of or with the approval of the McMichaels.

Could the minister explain the change of policy which occurred about three or four years

ago when, instead of having the appointees either suggested or approved by the McMichaels, the government decided to make political appointments of people with, sometimes, no claim to knowledge in the field of art and without the approval of the McMichaels? This reached the point where Mr. McMichael and Mr. Taylor had to go to the ministry from time to time to ask why these people were being appointed instead of people they had recommended. Why did the policy change about three or four years ago?

Hon. Mr. Baetz: Mr. Speaker, the policy did not change. At no time did Mr. McMichael get the power to approve the appointment of any order in council appointee to the board. I think the Leader of the Opposition could very—

Mr. Smith: He always did.

Hon. Mr. Baetz: He never had the power to approve a member who was appointed by order in council.

Mr. Smith: Not officially, but he did.

Hon. Mr. Baetz: No, never. He recommended perhaps, but he never approved.

Mr. Smith: He used to recommend them.

Mr. Speaker: Order.

Hon. Mr. Baetz: The Leader of the Opposition should think through this scenario a little more clearly. What would happen if we had a board of trustees conducting the affairs of this very large public gallery where all the members would have to be approved—whether that word would be in quotes or not in quotes—by Mr. McMichael? What a cozy little setup that would be, would it not? Would he suggest that? There was never ever any suggestion that Mr. McMichael could approve, formally or informally, any appointees made by order in council. Therefore, the policy has never changed.

3:20 p.m.

Mr. Smith: Supplementary: The original agreement made it very plain the board was only five persons—the McMichaels, two crown appointees and a chairman agreeable to them all. Also the McMichaels had been assured the new act was not going to change the tone of that, even though it was changing the number from five to nine. The people put on the board did not need his approval but in practice were usually recommended by them. In view of all this, why did the policy change three or four years ago so that neither Mr. McMichael—nor Mr. Taylor for that matter—were asked about it and political appointees were made who were people they did not even know in many instances?

Why did the minister say on television on The Loeb Report yesterday that the act superseded the agreement? The member for Riverdale (Mr. Renwick) asked at the time: "Shouldn't there be an amendment that would say for all time there would be an obligation on the foundation to carry out all of the obligations of the original agreement." The then minister replied plainly: "I am satisfied the intent of the bill is to accomplish just that."

Why is the minister now in retrospect suggesting the agreement, which had an advisory board of two plus two and a neutral chairman, could be changed by the bill to the point where they can have political appointments dominating the board?

Hon. Mr. Baetz: Mr. Speaker, as I said before—and we should get this very clear—Mr. McMichael never ever had the power to approve any appointments made through order in council.

As far as the appointments made to the board of trustees are concerned I think I understand why Mr. McMichael has some troubles in accepting some of the members of the board. It is because of the continuing difficulties between all of the members and some of the members of the board at the present time and the McMichaels.

The interesting thing in all this is that four of the present members of the board of trustees are original members of that body. As a result, one could say these were friends, these were people Mr. McMichael knew.

In recent years a problem has developed. There is a very real difference of opinion between the McMichaels on the one hand and all the other members of the board, in terms of who is managing or who has the power to manage the gallery. It certainly has nothing to do with the idea Mr. McMichael is attempting to spread abroad that somehow or other the government is dumping members of a board on him who are alien to his way of thinking or who are unknown to him and who are trying to drown him out. There is none of that whatsoever and I deeply resent Mr. McMichael suggesting that is what is happening.

Mr. Foulds: Mr. Speaker, can the minister tell us how he expects anybody in Ontario henceforth to donate anything of value to the province? It would appear—and the minister has done nothing to dispel the appearance—the government has betrayed its agreement with a benefactor of this province. How does he expect anybody to donate anything from now on?

Hon. Mr. Baetz: I guess I should reread the statement I made here the other day. This government has not in the past, and will not in the future, in any way renege on the agreement signed in 1965 or on the act of 1972. If the member will be specific in asking that question as to where, how and when we have reneged on that agreement, please let me know. But he should be specific and quit his generalizations.

Mr. Speaker: New question, the member for Hamilton East.

Mr. Roy: Supplementary, Mr. Speaker.

Mr. Speaker: New question. That was the final supplementary.

Mr. Mackenzie: Mr. Speaker, I have a question for the Premier.

Mr. Roy: You are saving him again, eh, Mr. Speaker?

Interjections.

Mr. Speaker: Order.

Mr. Roy: I am being challenged.

Mr. Speaker: No, you are not.

Mr. Roy: I am prepared to accept the challenge.

IRWIN TOY DISPUTE

Mr. Mackenzie: Mr. Speaker, will the Premier tell the workers in Ontario what rights they have to organize and engage in free collective bargaining as set out under the Labour Relations Act?

In the case of Irwin Toy, a disputes advisory committee was set up consisting of Mr. Bob Joyce and Terry Meagher. It came down with a contract recommendation that is appallingly modest—an increase of 10 cents an hour after six months and minimal health benefits; \$3.70 an hour for these hard-working women. This was a rather sick proposal the union is ready to ratify in an effort to establish the right to collective bargaining at that plant. Arnold Irwin nevertheless comes out and says no way and refuses to accept even the settlement proposal the disputes advisory committee thought they had.

Would the Premier say what rights workers have in Ontario, and what is their next step?

Hon. Mr. Davis: Mr. Speaker, I am not familiar with all the specific details of the Irwin discussion. I will be delighted to raise this with the Minister of Labour (Mr. Elgie) tomorrow in cabinet and have him give the member a full report on Thursday.

Mr. Mackenzie: Supplementary, Mr. Speaker: In light of this absolutely unbelievable situation at Irwin Toy, will the Premier not also discuss the obvious and absolute need for first-contract legislation in his discussions with cabinet? What has happened here is a clear refusal by Mr. Irwin, even at 10 cents an hour, to sign a contract the disputes advisory committee thought they had. That simply means he is saying the right to collective bargaining means nothing: there is not going to be a union in that plant.

Hon. Mr. Davis: Mr. Speaker, I will just repeat what I said to the honourable member: I am not familiar with all the specifics in the Irwin Toy situation. I will raise it with the Minister of Labour, and I am sure he will have some observations for the member on Thursday.

HYDRO SERVICE

Mr. Conway: Mr. Speaker, my question is for the Minister of Energy, and it concerns the current fate of the Renfrew County hamlet of Foymount. The minister will be aware that on Monday of last week the provincial hydro utility severed the power supply to the main water and sewage plants at that facility, thus seriously undermining the day-to-day situation of the 25 families resident in that community. I want to know whether or not the Minister of Energy was aware that Hydro was about to take that decision and, if he was, why the meeting he promised to the local municipal authorities some two months ago to try to work out some kind of accommodation of this admittedly very difficult situation was never held.

Was he informed? If he was, how does he square this action by Ontario Hydro with a promise he apparently made to the municipal council and others involved that no such drastic action would ever take place without first holding a meeting of all interested parties?

Hon. Mr. Welch: Mr. Speaker, I am not aware the commitment was along those lines. My parliamentary assistant (Mr. Andrewes) carried on discussions with the officials in that municipality. To answer question number one, we were aware. There were a number of conversations with my parliamentary assistant on that issue in an attempt to have parties find some common ground for resolving the difficulty there.

It is my understanding that, as the honourable member has correctly pointed out, electrical service to the water and sewage plants has been terminated. There is some auxiliary equipment

there to look after it, and I hope we can see some resolution of this matter. It involves a developer and some difference of opinion as to who carries the responsibility.

But I would not want the honourable member to feel there were not very frequent discussions back and forth in an attempt to bring people's points of view to the attention of the proper authorities. I do not know of any specific commitment that said nothing of this nature would happen until—and I underline until—some type of formal meeting is held.

3:30 p.m.

Mr. Conway: I want to assure the minister that local municipal authorities are of the collective opinion that commitment was provided by the government through the Minister of Energy. If that is not the case, I think it is important for him to clarify it.

I want to know what specific undertakings the Minister of Energy will provide to restore power to those very basic services. Residents cannot get by without them for very long. Admittedly, a number of emergency factors now supply the community, but it is widely regarded that they cannot function for very long without the main electrical supply to the water and sewage treatment plant.

The Ministry of Municipal Affairs and Housing and the Ministry of the Environment are undertaking major studies to see whether or not there is long-term viability to that troubled community. What specific undertaking is the Minister of Energy prepared to make on behalf of the province at this time. With the first winter snows blowing across that hilltop hamlet, what specific undertaking is he prepared to provide to give effect to the promise, "When you need us," meaning Hydro, "we are there?"

Hon. Mr. Welch: I am sure, in expressing his legitimate concerns, the member would want to underline that there is no disruption of electrical service to the homes in this community. We are not talking about the lack of electrical service to people in their homes. We are talking about a matter in which there is some dispute as to who has the responsibility for maintaining the services the member referred to.

My information is from my parliamentary assistant who has been very attentive to details and has attempted over a number of conversations to communicate concerns back and forth to those who have been involved. I understand the last offer was that Hydro simply wanted a modest deposit put up until such time as some of

these other matters of jurisdiction and responsibility were settled.

The Minister of Energy stands ready to discuss this matter at any time, but ultimately Hydro had to take some stand with respect to the arrears. They have taken that position but they have made it quite clear they are prepared to negotiate with those involved. They have asked for a modest amount by way of deposit to show good faith while they carry on some discussions.

OHIP COVERAGE

Mr. Grande: My question is for the Minister of Health. Eight to 10 children at the Hospital for Sick Children are suffering from a fatal genetic skin disease called epidermolysis bullosa. It eats away at the patients' limbs and death from internal bleeding gradually results. Dr. Boxall, the head of dermatology at the Hospital for Sick Children, is convinced the treatment Dr. Kozak provides in West Germany works and advises his patients, "If you can pay, if you have the money, go."

In view of the fact it costs about \$25,000 for each patient and guardian to go abroad and get the treatment, would the minister instruct the Ontario Hospital Insurance Plan to accept the bill for Ontario children and young adults so they can be treated for this crippling and fatal disease?

Hon. Mr. Timbrell: I do not know if the honourable member is reflecting accurately the views of Dr. Boxall at the Hospital for Sick Children. Certainly, he is involved in some meetings which will be held in this city this weekend involving the gentleman from West Germany who has developed the alleged cure for this previously untreatable disease.

In the course of the discussions to be held in this city and in Edmonton tomorrow and I believe the next day, we hope the gentleman involved from West Germany will reveal what his alleged cure consists of. As long as we can be satisfied that what is involved in treating these patients will not cause other side effects in the long run, we are prepared to pay and include this as part of the Ontario health insurance plan and see that it is provided here, so that people do not have to travel all the way to Europe.

I should point out that the gentleman involved is not a physician. He practises as a healer under a law passed in Germany in the 1930s, under which the sole criterion for licensing is that one does no harm.

As I say, if we could find out what this treatment consists of, and to date all attempts to

find out have been unsuccessful, and satisfy ourselves that it is not something that will have longer-term ill effects, we will be happy to include it in our health plan.

Mr. Grande: The minister is aware, of course, that the gentleman in question, Dr. Kozak, is a PhD in biochemistry.

Dr. Boxall said to me in a telephone conversation that it appeared from the symptoms the patient Tony Degabriele had when he came back in early September, after he received the treatment in August, that the disease had been stopped. That is what Dr. Boxall said.

Is the minister suggesting that as soon as he or his ministry has discussions with Dr. Kozak this weekend—because I understand he is going to be here in Toronto on Sunday—the ministry will then change its rule so that OHIP will be able to pay for that treatment? Is the minister saying that, as a result, the change will be made in OHIP?

Hon. Mr. Timbrell: I am saying to the member that five minutes after I can be satisfied by the physicians in my ministry, to whom the details of the treatment will be revealed, assuming the details are revealed, including the compounds involved and the various medications administered, and five minutes after I can be satisfied there are no potentially ill side effects, I will recommend its inclusion in our health plan.

Mr. Nixon: Mr. Speaker, will the minister's commitment extend to paying the expenses of those who have already travelled to Germany for the treatment and who on their return have found the cure was effective as far as they are concerned?

Hon. Mr. Timbrell: Mr. Speaker, I have no authority to make any such retroactive payment.

Mr. Nixon: Why? Certainly you do.

Hon. Mr. Timbrell: No, I do not.

Interjections.

Mr. Speaker: Order.

Hon. Mr. Timbrell: The point is that if this is valid—

Mr. Smith: They should have let their kids die, eh?

Some hon. members: Oh, oh!

Mr. Smith: They had no choice but to go. Be sensible; what choice did they have?

Mr. Speaker: Order. The minister is responding to a specific question.

Mr. Smith: What choice did they have but to go to Germany?

Hon. Miss Stephenson: You know better than that. Why don't you—

Mr. Speaker: Order.

Mr. Smith: They had no choice but to go to Germany, and the minister knows it. What else could they have done?

Mr. Speaker: The minister.

Hon. Mr. Timbrell: Mr. Speaker, there are various kinds of illness, and the member is displaying a quite different kind.

Mr. Smith: Oh, come off it! What were they supposed to do with their kids?

Hon. Mr. Timbrell: The fact is, and the member knows this as a physician, we will cover any medical act the efficacy of which has been proven and which will not in and of itself produce ill side effects. I cannot be clearer than that. Over the years all attempts to try to find out what this treatment supposedly consists of have been unsuccessful. I am saying that if we can find out and satisfy ourselves that it is—

Ms. Copps: Tony Degabriele's illness was terminal.

Hon. Mr. Timbrell: Is the member a physician?

Ms. Copps: He was diagnosed as terminally ill.

Mr. Speaker: Order. Will the minister just respond to the original question, please?

Hon. Mr. Timbrell: In all respects we rely on—

Mr. Smith: He is alive.

Hon. Mr. Timbrell: Yes, and thank God he is.

An hon. member: No thanks to you.

Hon. Mr. Timbrell: What a charmer! The member will be a lovely Leader of the Opposition.

The fact is, Mr. Speaker, that we must satisfy ourselves that it is a proper treatment and, assuming we can satisfy ourselves of that, it will be included in our health plan.

FOREIGN INTERFERENCE

Mr. Shymko: Mr. Speaker, I want to address my question to the Attorney General in the light of the comments I made on a point of privilege. What action is the Attorney General prepared to take to assist me, or other members of this

Legislature in similar predicaments, when subjected to campaigns of hate and defamation by foreign governments and publications?

3:40 p.m.

Hon. Mr. McMurtry: Mr. Speaker, the issue raised by the member for High Park-Swansea was legitimate and important. I have seen some of the publications to which he has referred, and I would like to think that all members, even some members opposite, might be sensitive to what I think is a very serious matter.

Judging by the comments, I regret that some of the members opposite treat these issues in a frivolous and cavalier fashion. The public is aware of that treatment, and that is why those members will remain on that side of the aisle and we will remain on this side.

Having said that, I think this issue should be taken up with the appropriate federal authorities with respect to the use of the federal postal service for the distribution of material that is highly offensive and, indeed, vicious. I indicate to the member that I am prepared to meet with him and the appropriate federal authorities, together with any other members who may share our concerns.

Mr. Sargent: On a point of privilege, Mr. Speaker: If the matter is so damned important, why does the Attorney General not do something about it himself? Here we have a case of a man wanting to be re-elected so he can—

Mr. Speaker: Order. That is not a matter of privilege.

COMPENDIUM REQUIREMENT

Mr. Nixon: On a point of order: Mr. Speaker, I am sure you noticed in the Globe and Mail this morning that the Minister of Energy indicated he felt the rules having to do with the requirements that a compendium be tabled following a statement of policy were a bit inadequate.

I will just read the rule; it is standing order 26(c): "After any policy statement the minister shall table a compendium of background information."

I am sure you will agree, Mr. Speaker, that the rule is quite clear, not just in its implication but also in its direction. For anybody to suggest that the statement of the Premier announcing the acquisition of 25 per cent of the common shares of Suncor is not a policy statement is simply unacceptable. To go on and argue that the rule does not give a time limit and, therefore, the rule was not breached is, in my view, unacceptable.

I would like to know your views, Mr. Speaker, since the rule was cast quite clearly and was meant to bind the government. Surely no cabinet minister should bring it into public question.

Mr. Speaker: I will take that matter into consideration and report back. I think I have mentioned before, through previous discussions, what my role is in the understanding of what a compendium is or the responsibility of the Speaker in tabling documents.

Mr. Smith: On that point of order, Mr. Speaker: You have already said a compendium can consist of whatever the government wishes to say. It is much like the Queen in Alice in Wonderland, that a compendium means what they say it is, neither more nor less. They could give a Mickey Mouse comic book and call it a compendium.

Now the minister is saying there is no time limit. There might be a situation whereby a policy statement is made, and we can be given a comic book as a compendium and have to wait three years before we get it.

Surely the rule becomes an even worse joke than it already would be under your interpretation, Mr. Speaker, if we add to it the minister's interpretation that there is no time limit either.

Mr. Speaker: I want to refresh the memory of the Leader of the Opposition. It was not my interpretation. In fact, I looked it up in May's Parliamentary Practice and it is quite clear. With all respect, if you will look up the definition of what a compendium is, it does not help; there is nothing mentioned there.

McMICHAEL CANADIAN COLLECTION

Hon. Mr. Baetz: Mr. Speaker, on a point of privilege yesterday, the Leader of the Opposition referred again to a letter dated August 8, 1981, which is alleged to have been sent by Mr. McMichael to the chairman of the board, Mr. Allyn Taylor, in which Mr. McMichael is said to have discussed certain allegations and offered a resignation of sorts. The Leader of the Opposition says it was confirmed that such a letter was sent to Mr. Taylor and that it was copied to me.

I can only reiterate that at no time have I received a copy of such a letter. I discussed this matter with Mr. Taylor this morning, and he too confirmed that he does not recall ever receiving a letter such as this and that there is no such letter in his file. I can only go back to the original point I made, which is that, as far as I know, no such previous letter was sent.

On a second point, the Leader of the Opposition stated he has also confirmed that the unofficial meeting of the collection's board members, to which Robert and Signe McMichael were not invited, was called for last Saturday, November 19. Again, I have no knowledge of such a meeting. I discussed this with Mr. Taylor this morning. He assures me no official or unofficial board meeting was called but that he came into town in his capacity as an officer of a trust company, had some friends in for lunch, and one or two of the friends happened to be on the board. He happens to like the people.

Mr. Smith: On the same point of privilege, Mr. Speaker: The minister will know that we checked with Mr. Michael Bell's secretary, and she stated she had phoned the members of the board, except for the McMichaels, with regard to this unofficial meeting. When asked why the McMichaels had not been included, she said, "You had better talk to Mr. Taylor about that." She said she did so at the request of Mr. Taylor. The minister had better deal with her.

Hon. Mr. Baetz: Mr. Speaker, I suggest that the Leader of the Opposition deal should with Mr. Taylor; he has given us this information. This is the second or third time the member has questioned the integrity of Mr. Taylor, who has given so much in managing the affairs of the McMichael gallery. He is questioning his integrity over what are really minor matters. The time has come that the member had better apologize to Mr. Taylor and the entire board.

MOTIONS

ESTIMATES

Hon. Mr. Wells moved that in the committee of supply the estimates of the Ministry of Intergovernmental Affairs be taken fourth in sequence; and that in the standing committee on resources development, estimates of the Ministry of Industry and Tourism and the resources development policy secretariat be transferred to the standing committee on regulations and other statutory instruments, to be taken in that sequence.

Motion agreed to.

PRIVATE BILLS

Hon. Mr. Wells moved that notwithstanding any previous orders of the House, the following private bills be transferred from the standing committee on general government to the standing committee on resources development, and that standing order 72(a) respecting notice of

committee hearings be waived for the consideration of those bills by the standing committee on Wednesday, November 25, and Thursday, November 26.

Bill Pr25, An Act respecting the Township of North Dorchester;

Bill Pr31, An Act respecting the City of Kanata;

Bill Pr32, An Act respecting the Town of Bracebridge;

Bill Pr33, An Act respecting the Town of Gravenhurst;

Bill Pr34, An Act respecting the Town of Huntsville;

Bill Pr36, An Act respecting the Township of Chandos.

Motion agreed to.

3:50 p.m.

INTRODUCTION OF BILLS

TRIBUNALS CONFLICT OF INTEREST ACT

Mr. Philip moved, seconded by Mr. Swart, first reading of Bill 173, the Tribunals Conflict of Interest Act, 1981.

Motion agreed to.

Mr. Philip: Mr. Speaker, this bill prohibits former members and officers of tribunals subject to part I of the Statutory Powers Procedure Act from acting as advocates before those bodies for a two-year period after ceasing to hold their positions. The same restriction is imposed on former ministers and deputy ministers in connection with tribunals under the administration of their former ministries. The maximum penalty is \$10,000.

SUCCESSION LAW ACT

Mr. Smith moved, seconded by Mr. Nixon, first reading of Bill 174, An Act respecting the Succession to Estates of Deceased Persons in Ontario who have Beneficiaries Residing in Designated Countries.

Motion agreed to.

Mr. Smith: Mr. Speaker, the purpose of the bill is to ensure that payments from the estates of persons domiciled in Ontario at the time of death are not made to foreign beneficiaries who are unlikely to receive for their whole benefit or use substantially the full value of any payments made under the estate and who reside in certain countries designated by regulation.

The bill provides for an application to be made to a court for an order permitting pay-

ments to a foreign beneficiary. The court may also order that no payment be made to a foreign beneficiary, in which case the court shall make an order disposing of the estate in accordance with the rules of succession contained in the Succession Law Reform Act with necessary modifications.

ANSWER TO QUESTION ON NOTICE PAPER

Hon. Mr. Wells: Mr. Speaker, I wish to table the answer to question 246 standing on the Notice Paper. [See Hansard for Friday, November 27.]

ORDERS OF THE DAY

THIRD READINGS

The following bills were given third reading on motion:

Bill 144, An Act to amend the Ontario Water Resources Act.

Bill 145, An Act to amend the Pesticides Act. House in committee of the whole.

ENVIRONMENTAL PROTECTION AMENDMENT ACT

Consideration of Bill 143, An Act to amend the Environmental Protection Act.

Hon. Mr. Norton: Mr. Chairman, I have no opening remarks. I suggest we proceed with clause-by-clause consideration.

On section 1:

Mr. Kerrio: I have some questions on the proposed section 40a(3). I wonder if the third party has anything before that.

Mr. Chairman: The indication is no. Mr. Kerrio, I am looking at some of your proposed amendments. I see that you do not specifically refer to the section of this bill but to sections of the Environmental Protection Act.

Mr. Kerrio: But there are questions relating to some aspects of the bill that I want to raise, Mr. Chairman.

Mr. Chairman: Then you will have to sort of shout as we go along.

Shall subsections 1 and 2 carry? Carried.

Do you have a question on subsection 3, Mr. Kerrio?

Mr. Kerrio: Yes, Mr. Chairman. My concern relates to how this section reads in talking about a certificate of approval or a provisional certificate of approval that is in force. We already have had an experience related to those kinds of approvals. I wonder what the expiry of such

approvals has to do with this section, because as a component of the Ridge determination, while there was approval in force that had expired, they had some great difficulty after the term of expiration because they continued to put materials into that site. I wonder how we are going to correct the kind of problem that existed at that time.

Hon. Mr. Norton: Mr. Chairman, as far as the reference to the Ridge site is concerned, surely the member would understand that until such time as there were a finding by the court that the certificate was not in force, it would continue to be in force; so the concern he is expressing ought not to be directed towards the time prior to the court's finding. If he is talking about the time subsequent to the court's determination—

Mr. Kerrio: But the expiry date has passed. There was no authorization.

Hon. Mr. Norton: No. Because I think it is an established principle in law, certainly under the legislation, that even though the date may expire, the certificate would continue to be in effect or in force. If one is talking about following the court's determination approach, that is a different matter. At that point, anything of that nature must cease going in, as it has in that particular site. I do not think it is a problem.

Prior to the court's determination, that certificate was in force. It was the court's decision that determined, as it applied to liquid industrial waste, that it cease.

Mr. Kerrio: The fact is, I was concerned about the certificate of approval expiry date. I wondered what significance it was going to have, which the minister has explained in one area. Does anyone else have questions on that matter before I go right to the next one?

Mr. McGuigan: Mr. Chairman, I understand what the minister is saying. Once the court has put an end to the approval, it is ended. But what will the future activities be? Will one have to apply to the court each time to say whether an approval has run out or has reached an end, or will the minister himself say that the date has arrived and it is therefore ended? I think that is the question we would like answered.

Hon. Mr. Norton: Mr. Chairman, it would still be necessary to seek a court decision in any individual case. If there were some dispute as to the validity of a certificate, the correctness of the certificate or whether it was still in force properly, obviously the appropriate forum would be the court. I am not sure if the member is referring specifically to Ridge. If there were

some question about validity on another site, the court would be the appropriate forum to determine any dispute.

4 p.m.

Mr. Kerrio: If there is a certificate of approval that carries an expiry date, should we not resolve the environmental problem as it exists for the reasons the expiry date was put on there in the first place? With the expiration of that approval, there should not be any dumping done. Could that not be handled in the regulations or in this bill?

Hon. Mr. Norton: I think one would have to give that consideration at another time. This does not really apply to that. We are getting off on a tangent, I think. What the member is proposing might create some difficulty if, for example, the expiry date arose during the course of hearings. One cannot be too rigid on that. On the other hand, that is not really being addressed in this bill.

Mr. Newman: Mr. Chairman, I want to ask the minister if certificates of approval were obtained by the individuals who moved the Cobex and the Cobex containers from the warehouse in Windsor to the scrapyard that compressed the containers. In my estimation, they still contained some of the liquid Cobex, a herbicide which, according to newspaper articles, if one believes them completely, one would be extremely concerned and disturbed about.

Here we have a hazardous herbicide that could be and has been extremely harmful to those who were not in direct touch with it but were within inhaling distance of some of the so-called fumes that might emanate from the liquid. Did the people who transported that Cobex obtain permission from the ministry?

Hon. Mr. Norton: Mr. Chairman, I am not personally familiar with the Cobex situation, although if the member is talking about the transportation of the material, and it is transportation for purposes other than disposal, it is not likely to be my ministry that would grant the approval at this time.

I think the more relevant part of the member's question is the section relating to the disposal of the containers. I do not know the answer to the question as it applies to that, because it is only in the last day that I became aware of the problem as a result of a conversation with him. I think any industry or operation engaging in the disposal of possibly contaminated containers is something we would be interested in.

Mr. Newman: It is certainly a different situation in this instance. The containers shipped in from the United States were five-gallon containers. For the safety of the community and in an attempt to ship the chemicals back to the United States where they originally came from, the liquids were emptied into large, substantial containers; so there is the involvement of moving the Cobex chemical itself.

We are talking about 80,000 gallons of a herbicide. After it was in the large containers, the small containers had to be disposed of. In the disposition of the small containers which, in my estimation, still contained some Cobex, did they require a permit from this ministry to move those containers from the warehouse to the scrapyard that compressed the containers for eventual use as reclaimed metals?

Mr. Chairman: I point out to the honourable member that I have allowed a great amount of latitude in the discussion of this subsection. Possibly the minister will respond, but a future inquiry will have to relate a little more specifically to the subsection at issue.

Hon. Mr. Norton: Mr. Chairman, as a result of inquiries from the honourable member, the staff of my ministry are in the act of following up on it. I have not yet had an opportunity to be briefed by them on the details of that particular matter. I think we should recognize that this really has nothing to do with the principle of the bill.

Mr. Chairman: The chair is well aware of that point.

Shall subsection 3 carry? Carried.

On subsection 4?

Mr. Kerrio: Mr. Chairman, I have a question of the minister on this subsection. His interpretation of subsection 4 is that subsection 1 applies only in the absence of a contract to the contrary.

I am very concerned about this section, because I am wondering if this section will allow the owner of the site to contract out of the responsibility of the waste ownership? In other words, could there be a situation where a limited company is formed and third parties could become involved? Could we end up with a situation where, after the originators of the waste have taken it to the site, the ownership of that waste then transfers?

What happens if subsequent to that we have leachates and problems underground? Who is responsible for the ground water problems, the cleaning up of the leachates, and moving

material if need be, if they find the problems later? This relates to who might have to pay for that situation if it were to develop.

I wonder if the minister can respond to my concerns as to whether within the limits of this bill they could contract out that responsibility or contract themselves out of the sort of situation where there might have to be the ongoing security funds that the former minister addressed.

The minister understands that in some situations in the United States they have a superfund that is beginning to address that problem. Since the former minister talked about that kind of a fund back in October 1978 and in June 1979, and this minister suggested there might be something in the works to build such a situation as late as November of this year, I wonder if he can respond as to whether that can happen in this bill.

Hon. Mr. Norton: The short answer, Mr. Chairman, is no. If the member reads section 40(a)(1), it stipulates that the ownership of waste is accepted; it is not dealing with liability or responsibility. Subsection 4 states that subsection 1 applies only in the absence of a contract to the contrary. In other words, the owner may contract with the operator of a site to retain ownership of the waste, but he may not contract out of the responsibility. This only deals with ownership, not liability or responsibility in the case of an environmental problem.

The reason for the inclusion of this section is that there may be wastes containing levels of metal or whatever that would not be economically recoverable at the present time, but in the opinion of the generator of the waste it may be that, by storing that waste safely for a period of time, the technology may be available at some time in the future to recover it economically. I am just using this as an example. He may be able to economically recover more from that waste and, therefore, he may wish to retain its ownership and contract with the operator of the site on that basis to have it safely stored.

If an environmental problem were to develop, that contract would not absolve him. In fact, under this section, there is no provision for contracting out of responsibility.

Mr. McGuigan: Mr. Chairman, while I do not have a good enough law background to understand this question, ownership to me would also apply to liability. Is there a section dealing with liability?

We have in my riding, in Harwich township, the exact situation the member for Niagara Falls

was mentioning; I refer to the situation involving the Ridge Landfill Corporation, a subsidiary of Browning-Ferris Industries. During the environmental hearings this summer, it was brought out that the mound is actually saturated with leachates and they are coming out.

They are going to build a toe drain in the next two years, and then they will have leachates to deal with, which they have estimated, on the basis of 1981 dollars, will take \$37 million over the next 100 years, during which it is expected these leachates will continue to come out. Certainly the Ridge Landfill Corporation is not good for \$37 million. I do not even know whether Browning-Ferris Industries is good for that amount.

Where do we deal with the liability if it is not attached to ownership?

4:10 p.m.

Hon. Mr. Norton: If the member looks at the following section, Mr. Chairman, it states clearly that subsections 1 to 4 do not relieve any person from liability, except liability as owner of waste that is delivered to and accepted by the operator. In other words, it is saying the section we are talking about now does not relieve the person from liability for dealing with the environmental problems.

There is liability, of course, arising out of ownership, but there is also liability arising out of control of the waste. As the member for Niagara Falls mentioned earlier, we do have in preparation the spill regulation, which I had hoped we would be able to get before committee for consideration this fall but, given the time constraints of the committee and the fact that we have not even begun our estimates yet, we may not be able to get time before the committee this fall. But we have done our homework.

Mr. Haggerty: Mr. Chairman, the other day when we were reading the bill, I asked the minister a question relating to section 1 on section 40a(2) of the act: "Where waste is deposited but not accepted at a waste disposal site, the ownership of the waste shall be deemed to be transferred to the operator of the site immediately before the waste is deposited."

Hon. Mr. Norton: I think we have passed that.

Mr. Chairman: We have; but is it a pressing issue?

Mr. Haggerty: Yes.

It just does not seem right to me that a person who was handling the material could come into a site and dump it there, perhaps unknown to the owner of the site, which could be the

municipality, and the owner then would be liable for the waste that had been disposed of in this area. I do not think it is quite right that it should be interpreted that way.

The minister should be bringing the law into force so that a person who dumps industrial waste or liquid waste into any dump or disposal site without permission is charged for illegal dumping of material that has not been accepted by the operator of that site, which could be the municipality.

In my area pretty nearly all the disposal sites are operated by the municipality. However, there are some private ones too. It is possible, for instance, that in the Walker Brothers Quarries situation somebody could go in there, unknown to the owner, and dump waste material and then all of a sudden the owner would be notified that he was responsible for that being dumped there. The owner says, "No, you cannot dump it there," but the other person says, "It is going to be dumped."

Mr. Chairman: That is a good inquiry. I would like to hear the response to that.

Hon. Mr. Norton: Actually, I think these are interesting sections because if the material is being deposited without being accepted by the operator, the operator becomes the owner earlier than he would be if it were accepted. There is a good reason for that.

What the member says is quite true, if you know who the generator is who is bringing the material to a waste site without permission.

Mr. Haggerty: But licensed by the ministry.

Hon. Mr. Norton: Yes, the site is. But just a moment; I did not interrupt the member when he was asking his question.

Mr. Chairman: Right. I agree.

Hon. Mr. Norton: If you know who they are and the point at which they deposit, sure, that is when you get them. But surely the member also recognizes that more often than not if somebody is depositing it without permission it is probably being done when the operator, and maybe no one else, is around.

In the event that you do not know who deposited it, you do not want to stand around wringing your hands and saying, "Gee, it is too bad we can't do anything about this particular contaminant, which could do widespread damage, because the guy who put it here is unknown to us."

We are saying the onus is on the operator to take appropriate steps to make his site secure:

to fence it, guard it and do whatever is necessary to protect himself from that kind of liability for people coming in without his permission.

This section does not relieve the unwelcomed or unauthorized depositor of any liability. He is still liable if you know who he is and if you can catch him; but if you cannot, then the operator has the primary liability to make sure the site is secure and, if there is a spill on his property, to clean it up.

The operator is in the business, and part of the business of dealing with potentially hazardous substances is to make damned sure the site is safe. You do not leave it in a condition so that people can come wandering on to the site in the middle of the night, open the stopcock at the back of their truck and dump a load of liquid waste on the ground. One of the responsibilities of being in this business is to make sure you are handling things safely and preventing the irresponsible handling of these substances as much as is humanly possible.

Mr. Haggerty: Just to follow up on that point, I would like to use the city of Port Colborne as an example. They had a disposal site which they rented out to a contractor to look after the disposal and burning of waste material. A hauler licensed by the ministry transported goods to that site. Unknown to the municipality, that person dumped material that should never have been dumped there. The city is before the courts now trying to get this contractor to pay for replacing the firebrick that was burned out in the incinerator because of the very inflammable material that was dumped.

I say to the minister, looking at this particular section, that his ministry has the greater responsibility in this area, because it issued the licence for the hauler, who has to be licensed through his ministry. I think there is a good possibility you could still have haulers or contractors dumping industrial wastes that could be toxic into a site unknown to the operator of the site. Many municipalities may be caught in this crossfire in which they are responsible, although the licence was originally issued by his ministry. All I am trying to convey is that the minister has a bigger responsibility than anybody else through the enforcement of the licence.

In this particular case, I think the contractor—the licensee or the carrier with the licence—should have lost his licence. Yet in spite of all the infractions that occurred at this site, he is still in business. We do not know what he is doing right now; if he can get away with it there, he can probably get away with it on some

dark side road in the marsh up at Wainfleet or some place like that. It is not the first time it has happened.

Mr. Chairman: I will have the minister respond if he would like to.

Mr. Haggerty: The barrels that were placed at that waste disposal site in Port Colborne contained phenol formaldehyde from Hooker Chemicals and, looking at that, when you talk to Hooker Chemicals—

Mr. Chairman: The minister wants to know what the question is.

4:20 p.m.

Mr. Haggerty: I am just saying that Hooker Chemicals thought the person hauling the material, licensed by the ministry, was disposing of it in the proper manner. But he was not.

I question that particular section of that bill, because it is not explicit enough to say who is going to be responsible. To me, the responsibility lies with the person issuing the licence, and that is the ministry. If the fine should be there, it should be with the ministry. I hope we do not have to take the same approach that we did with the Minister of Transportation and Communications (Mr. Snow).

Hon. Mr. Norton: I greatly appreciate the confidence the member has in the ministry and in me. I realize, as far as the ministry is concerned, it is well justified confidence. I am sure some might question whether the confidence in me is entirely justified, but I am not yet quite ready to bear the mantle of Big Brother.

Contrary to what the member seems to imply, we do not license people to do illegal things. He is saying if we licence them, that means we are responsible. We licence them to do certain things within the law. At this point we do not quite have the resources to have one member of our ministry staff riding shotgun in the cab of every truck on the highways in the province.

Mr. Haggerty: They would get the message, wouldn't they?.

Hon. Mr. Norton: Yes, they might. But do not forget we do have a special investigations unit now. And, as far as those dark country roads are concerned, one never knows: if one sees a couple making the place look like lovers' lane, they might be special investigators from our unit; so be careful. They are a very clever and well trained lot, and they are going to crop up in the most unsuspected places anywhere in this province. They are watching around every corner; so do not dump illegally.

Mr. Nixon: Big Brother is watching.

Hon. Mr. Norton: That is right. But we cannot be in every truck. In the case of the example the member gave, if that individual carried a substance and illegally dumped it, the member is anticipating the powerful provisions in the latter part of the bill, that we will get to, to enforce situations like that. I am sure the member will accept it with great praise when he sees what we are getting to.

Mr. Chairman: We have allowed some latitude. Now we are on to subsection 5.

Mr. Nixon: Are you implying we have read no further in the bill than this?

Mr. Chairman: This is it. Shall subsection 4 carry? Carried.

Mr. McGuigan: Mr. Chairman, the minister said liability is dealt with in subsection 5 but, as I read it, it says: "Subsections 1 to 4 do not relieve any person from liability except liability as owner of waste that is delivered to and accepted by the operator of a waste disposal site in accordance with law..." If it is delivered in accordance with law, liability is transferred from the generator.

My worry is the \$37-million loss that Harwich township possibly faces. It seems unlikely that they are going to be able to get that from the Ridge Landfill Corporation, because as a corporation it could fold. It seems to me, as a resident of Harwich township, that I would want to feel I could go back after the Ford Motor Company, Imperial Oil, Dow Chemical or whoever was the generator; but I am precluded from doing that because it was put in legally.

I suppose there are arguments about that too, whether it was legal or not. But assuming it did go in legally, then who could the township go after, unless perhaps the ministry itself is willing to assume that obligation? That is a question that should be resolved before we pass this section of the bill.

Hon. Mr. Norton: That question is not going to be resolved in this bill at this time because, as the member is probably aware, we are working on the matter of a perpetual care provision which would deal with that specifically. That is not something that is dealt with in this bill.

Mr. Chairman: Shall subsections 5 and 6 carry? Carried.

Section 1 agreed to.

On section 2:

Mr. Chairman: Shall section 47a(1) carry? Carried.

Shall section 47a(2)(a) carry? Carried.

Shall section 47a(2)(b) carry?

Mr. Kerrio: I have an amendment, Mr. Chairman; it is only to keep some sort of similarity between the Environmental Protection Act and this act. It is minor, but under section 1 in the Environmental Protection Act—in comparing the two, the Chairman will find that where this bill uses the wording "will result or is likely to result in," in the Environmental Protection Act they describe it as "operation of the vehicle will result or may result in." It is just a matter of bookkeeping and a feeling that if the minister accepts this amendment, we might get the ministry moving in the right direction.

Mr. Chairman: Order, please. The minister has an inquiry of you.

Hon. Mr. Norton: Which section is the member reading from? He is referring to another section; is it section 1 of the Environmental Protection Act?

Mr. Kerrio: Section 1(1)(c). In the last line it uses the word "may."

Hon. Mr. Norton: I do not see what the member is referring to.

Mr. Chairman: Actually, I am missing the point too, Mr. Kerrio.

Mr. Kerrio: In this bill, section 47a(2)(b) reads, "that the continued operation of the vehicle will result or is likely to result in..." In our amendment we are saying "that the continued operation of the vehicle will result or may result in..." instead of "likely."

Hon. Mr. Norton: The member, as I understood him, said that for consistency it ought to be worded the same way as section 1 of the Environmental Assessment Act.

Mr. Kerrio: Section 1(1)(c).

Hon. Mr. Norton: Section 1(1)(c) is a definition of "environment" in my copy of the bill.

Mr. Kerrio: Yes. We are only suggesting that the word should be "may" rather than the way it is written.

Hon. Mr. Norton: I must be blind, but I cannot see what he is referring to. Can my friend see what he is referring to?

An hon. member: Yes. Do you want me to explain it to you?

Hon. Mr. Norton: No, I do not want him to explain it. I just want to see it.

Let me read into the record, my section 1(c).

Mr. Chairman: Section 1(1)(c), apparently.

Hon. Mr. Norton: Section 1(1)(c)?

Mr. Chairman: That is what he said.

Hon. Mr. Norton: Section 1 in the Environmental Protection Act—is he talking about the Environmental Protection Act?

Mr. Kerrio: Yes.

Hon. Mr. Norton: Okay. I thought he was trying to get a cross-reference to the other act.

Let me address the point I think makes the member's amendment particularly problematic. We are talking here about the enforcement provisions and the authority to seize the permit and number plates of a vehicle under certain circumstances. The wording we have in our bill says that where "the continued operation of the vehicle will result or is likely to result in," and there is a list of possibilities.

The member has to bear in mind we could have a situation where the vehicle involved was a rental vehicle. For example, it could be a vehicle that someone rented from the member, or from Budget or one of the other people in the business. If that is the case, the owner of the vehicle may not have been a party directly to the act; he may not have known precisely what his vehicle was being used for. Under circumstances like that, it may well be worth while to consider the possibility that as long as the vehicle is not used for that kind of purpose, the permit could be returned to the owner.

4:30 p.m.

However, the member's amendment would take in such a wide scope—not that it is likely to be used, but it may. Who can say? I hate that word "may," because it is grammatically incorrect, I think, as an old English teacher. Maybe there is some legalese I am not familiar with. I suspect people just have not checked their grammar recently.

Does the member intend that every time a vehicle is capable of being used for a repeated offence, one should not give the permit back or should not allow it to go? Or is the member suggesting if there is any real likelihood?

Mr. Kerrio: I am thinking more of a real likelihood.

Hon. Mr. Norton: Yes. If the member would substitute for the word "may" the word "might"—does he really mean to say in every case where a vehicle might be used, that one should seize the permits? I do not think that is what he means.

Mr. Kerrio: No. It isn't.

Hon. Mr. Norton: No. Therefore, I recommend highly that the member stick with our wording.

Mr. Chairman: All in favour of Mr. Kerrio's amendment to section 47a(2)(b) will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

The amendment is lost.

Shall section 47a(2)(b) carry? Carried.

Shall sections 47a(3) and 47a(4) carry? Carried.

Mr. Kerrio: I have an amendment to section 47b(1).

Hon. Mr. Norton: That is actually the same amendment. Is the member willing to accept the same decision?

Mr. Kerrio: Yes.

Mr. Chairman: So the amendment is withdrawn.

Shall sections 47b(1) to 47b(4) carry? Carried.

Mr. Kerrio: I move that section 47b(5) be amended by adding thereto: "and the court shall order that the owner of the permit, its employees, agents and representatives are prohibited from operating a vehicle within Ontario for a period of time not exceeding five years."

Mr. Chairman: Hold it. The member for Niagara Falls has introduced an amendment to section 47b(5). I will dispense with the reading. I just want that on the record.

Mr. Kerrio: What we are concerned about is how the ministry treats a truck that comes in from out of the province. We are suggesting that we would like to be a little firmer on the use of those out-of-province vehicles in the manner we have described here.

Hon. Mr. Norton: I got the message that was what the member was trying to do. But I think it is a case of potentially massive overkill.

Mr. Nixon: Five years?

Hon. Mr. Norton: Five years is our provision, but your extension in this amendment suggests that in the case where the permit is returned to jurisdiction of the issuer of the permit, "the court shall order that the owner of the permit, its employees, agents and representatives are prohibited from operating a vehicle within Ontario for a period of time not exceeding five years."

Just imagine this scenario. Imagine we have a national company—is Smith Transport nationwide?

Mr. Nixon: They should not be midnight dumpers.

Hon. Mr. Norton: No, they should not be. I am using an outfit like Smith Transport as an

example. I am sure Smith Transport would never engage in this kind of activity. But if an employee decided one evening when he had the truck at his disposal to go out, pick up some waste at a friend's, and illegally dump it—except he happened to be visiting Ontario with a vehicle registered across the border in Manitoba, or he had been working in Ontario on the basis of his licence—can you imagine—

Mr. Nixon: Capital punishment.

Hon. Mr. Norton: All I am saying is one must be reasonable in these things and look at the possible consequences of hastily thought up amendments.

Mr. Nixon: Hastily thought up. Why this is even mimeographed.

Hon. Mr. Norton: I can see the wrinkles in your researcher's brow now. I know he worked night and day thinking about this for the last month.

Mr. Nixon: They are not made up that hastily, I assure you.

Mr. Kerrio: We do not have the people at our disposal that you have. We have to work overtime.

Hon. Mr. Norton: What would happen if your amendment passed? Theoretically, in the scenario I have just described, every employee of Smith Transport in Ontario would not be able to drive a vehicle.

Mr. Nixon: That is preposterous. It is preposterous to put it in those terms.

Hon. Mr. Norton: I suggest it is a preposterous amendment. I think this is one that was drafted at three o'clock in the morning.

Mr. Nixon: Your whole scenario is overkill.

Hon. Mr. Norton: No, it is not at all, if you believe there are some national firms in this country. There are firms that work across provincial boundaries.

Mr. Nixon: They should not employ irresponsible drivers.

Hon. Mr. Norton: Are you suggesting that because they happen to have employed an irresponsible driver in Manitoba that every employee in Ontario should be out of work?

Mr. Nixon: If it happened in Ontario, yes.

Hon. Mr. Norton: Come on now, let's be reasonable.

Mr. Kerrio: Mr. Minister, if I may make one comment. These are not vehicles that normally carry grain, or something else. When they are handling the kind of chemicals we are con-

cerned about, they are going to be specifically designed to do those things. We want to put a cap on them if we are going to have good environmental protection. We are not going to allow somebody to come in there, and then excuse them because it was somebody using the truck at night, a truck that had all the capacity to do the job.

Mr. Nixon: Just because it was Smith's fly-by-night trucking.

Mr. Kerrio: How do we protect ourselves against this happening?

Hon. Mr. Norton: You can carry a barrel of toxic liquid waste on the back of a stake truck. You do not necessarily have to have a sophisticated tank truck if you are doing it illegally. All I am saying is you must—

Mr. Nixon: It could even be the minister's tent trailer.

Hon. Mr. Norton: The minister's tent trailer? I do not even have one. I go right to the ground. I pitch my tent wherever—

Mr. Nixon: The minister should hold his breath until he gets home.

Hon. Mr. Norton: That is right. I hope the member understands what I am trying to say about the real shortfall of this amendment.

Mr. Chairman: All those in favour of Mr. Kerrio's amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

The amendment is lost.

Shall subsection 5 carry? Carried. Shall subsection 6 carry? Carried. Shall subsections 7, 8, 9, 10 and 11 carry? Carried.

We now go to section 47c(1).

Mr. Kerrio moves that section 47c(1) as in the bill be struck out and the following substituted therefor:

"Where,

"(a) a person is convicted of an offence in respect of hauled liquid industrial waste or hazardous waste; and

"(b) the court is satisfied,

"(i) that the permit and the number plates for a vehicle used in the commission of the offence are in the possession of the registrar or are the subject of an order for seizure and delivery to the registrar, and

"(ii) that the person to whom the permit and the number plates were issued was notified that a penalty would be sought under section 47b,

"the court shall order the Registrar to detain

the permit and the number plates until any fine imposed upon the conviction mentioned in clause (a) is paid."

Mr. Kerrio: What we are doing here is we drafted the whole section, but the last part is the effective part of what we are suggesting should be in this bill.

4:40 p.m.

Hon. Mr. Norton: My concern is that if this amendment were to be accepted, it would remove from the court the discretion to apply what courts are normally vested with discretion to do: that is equity and justice. If one looks at the amendment as proposed, one might well have a situation where an individual, in the opinion of the court, for whatever reason ought to have some degree of leniency displayed in terms of time to pay the fine.

For example, it may be a fairly severe fine given the penalties we are talking about. By my interpretation of the section, if the individual makes a commitment to pay \$500 now and so much a week for the next period of time, you would deny him the opportunity to get his permit back until he had paid the whole of the fine.

I think that kind of discretion ought to be left with the courts. When one gets into the business of trying to make the law too absolute, and not allowing a judge to hear the facts and make his determination on the basis of that, one runs the risk of becoming too heavy-handed. I am not making a pitch for people who may be convicted of these kinds of offences by any means but I think the place for that to be argued is in court.

The prosecution ought to argue for a very severe penalty and no leniency if it is convinced it is a situation where it is appropriate. On the other hand, the judge ought, in some cases, to be able to exercise discretion.

Mr. Haggerty: Mr. Chairman, I want to support my colleague who moved the amendment. I have listened to the minister's comments and I think what we are saying is that after a charge has been laid and he has been convicted in the courts, the licence plates should be removed. The minister is suggesting all these matters will be referred to the courts at a cost to the province and perhaps even to the municipality. I do not think that is the way we should be looking at it.

Using a parallel, if I pollute my body by over-indulging in alcohol and I am charged, I automatically lose my licence. It is suspended

for three or six months. It depends whether it is a first or second offence. I do not have to go to court. It is automatically taken away from me.

If it is under the Highway Traffic Act, when an offence has occurred, a charge has been laid and one has been convicted, one's licence is suspended. That is what we are asking here, that the licence be suspended. We should not wait for the court action to find out if he is going to be fined the maximum \$50,000 for his convicted charge of dumping liquid waste some place that was illegal.

I suggest you have an example in the Highway Traffic Act under the Ministry of Transportation and Communications. It relates to impaired ability. It is similar. Where a person has been convicted of that charge under the impaired ability section of the act, he automatically loses his licence for a period of three or six months.

We are suggesting the same thing apply here, that the licence be removed. If it is for one or two years, that is fine. I do not think we can take it lightly. This is a serious problem and I think the intent of the legislation is to say that we are not going to stand for any more of this dumping of liquid waste that may be of toxic nature which can cause serious health effects, from drinking water, breathing the air or whatever it may be. I suggest it is a reasoned amendment and should be accepted.

Hon. Mr. Norton: I appreciate the strong stand, but I think the strong stand is being taken on the wrong section. I think you are misinterpreting here. What you are focusing on is using the suspension of the permit as a means of enforcing the payment of a penalty, for example, a fine. The court still has the discretion, although this section does not refer specifically to it, to suspend the permit for up to five years.

This section says that where there is a penalty, a fine, the court may, if it is necessary to ensure the payment of the fine, withhold the permit until the fine is paid. On the other hand, where they make a decision that it is not a situation for a five year or even a shorter period of suspension, they therefore levy a fine. If the fellow says, "Look, I will pay my fine. I can pay \$500 now and \$500 at the end of the month," the court can say, "All right, you pay your \$500 now, but make sure you get the other \$500 in by the end of the month. You can have your permit back and carry on, but do not engage in this kind of activity again."

The honourable member would not give the guy that break. The honourable member argues that if they have said, "It is not a situation which

is appropriate for suspension, so we are fining you," and the poor guy has \$500 in his pocket and says, "Your Honour, I would like to pay. Here is my \$500." He says, "Fine. You are going to be out of business until you pay the rest." The guy has no way of earning his other \$500.

The honourable member has to see that this section really applies to simply enforcing, where necessary, payment of the fine. If there was an operator the court knew could well afford to pay and he was making excuses, then the court could say, "All right, no money—

Mr. Nixon: No tickee.

Hon. Mr. Norton: —no tickee." That is right.

Mr. Chairman: The member for Niagara Falls has again proposed a further amendment to subsection 1 of section 47c of Bill 143, An Act to amend the Environmental Protection Act. I am bringing that forward to refresh all honourable members' memories as to what act we are dealing with and for the benefit of those who have joined us in the public gallery.

All those in favour of the proposed amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Motion negatived.

Shall all of section 47c (1)(a) and (b) carry? Carried. Shall 47c (2) carry? Carried. Shall all of 47d, 47e, and 47f carry? Carried. Is the minister following me? Shall 47g carry? Carried. Shall 47h carry? Carried.

Sections 2 to 6, inclusive, agreed to.

On section 7:

Mr. Chairman: I think before we get to section 7 we will probably have proposed amendments from the member for Niagara Falls.

An hon. member: You were supposed to be following what was said.

Mr. Chairman: You are right. We will slip it in between section 6 and 7.

Mr. Nixon: You are altogether too accommodating.

Mr. Chairman: The chair was in error. It was brought to my attention that—

Hon. Mr. Norton: I could challenge the chair.

Mr. Chairman: Do not. The member for Niagara Falls brought to my attention certain amendments that he wanted to put forward—

Hon. Mr. Norton: Mr. Chairman, though it is

not correct, to reopen at this stage would require the unanimous consent of the House. Surely, I think that would be the case.

Mr. Kerrio: He does agree.

Mr. Chairman: No, do not agree to that, because he is not going to agree.

Mr. Kerrio: In keeping with his intent to bring up the Environmental Protection Act for the good of the people of Ontario, I am certain he would—

Mr. Chairman: Do not get into instigating a controversy.

Hon. Mr. Norton: In keeping with the spirit of notice, since I got the copy of the amendments at the end of the question period, it really put me in a very co-operative mood for the rest of the afternoon, Mr. Chairman.

Mr. Chairman: Well, the chairman is going to make a crucial ruling here. The ruling is that I see no reason why we cannot hear these amendments after section 6.

Hon. Mr. Norton: I think you are the epitome of generosity, and I must support you. I could never challenge that.

Mr. Chairman: The member for Niagara Falls.

4:50 p.m.

Mr. Kerrio: Mr. Chairman, as is suggested with these amendments to the bill, we feel that now that the bill is before us it could certainly add a great many dimensions of importance if people are very willing and able to accept some of the amendments we are proposing.

We have a problem with some areas of the bill that relate to excluding certain parties from participation in the tribunal hearings. That is why I am moving the first amendment as it relates to parties and so on, which I would like to read into the record.

Hon. Mr. Norton: That is not the first one.

Mr. Chairman: Wait, please. That is not the first one I have, either. So you are going to forget about section 78(3)? At least, that is the first one I have. You are reading the parties one?

Mr. Kerrio: Yes, Mr. Chairman.

Mr. Chairman: How accommodating we are.

Mr. Nixon: You're doing an excellent job.

Mr. Kerrio: Well, that's right.

Mr. Nixon: And you need a raise.

Mr. Kerrio: Aren't we all keen about the environment, Mr. Chairman?

Mr. Chairman: Yes.

Mr. Kerrio: I certainly think you have the best interests of the people of Ontario at heart.

With that in mind, I move that section 78(3) be amended to read, "That where the director refuses to amend a control order such refusal is not appealable to the board."

Mr. Chairman: Before you continue, the chair has difficulty with this proposed amendment, as with some of your other proposed amendments. The difficulty is that upon refreshing my memory in reference to that distinguished 5,000 page book, May's Parliamentary Practice—I will not read it verbatim—I find that basically where an amendment does not relate specifically to the bill in front of us it is difficult to accept the amendment.

It is my understanding that although this is of great interest and concern, you are not going to be overly upset if I rule that this proposal will not be accepted by the chair because it is not in reference to the bill in front of us.

Mr. Kerrio: That is your decision, Mr. Chairman.

Mr. Nixon: In that connection we must surely point out to you, Mr. Chairman, that since the amendments proposed by my colleague—

Mr. Chairman: We are dealing just with this one.

Mr. Nixon: On a point of order:

Mr. Chairman: Yes, but having to do with section 78(3).

Mr. Nixon: Yes, having to do with that. Since the amendments have been mimeographed and placed before the minister so he would have an opportunity more or less to collect his thoughts on these matters, there would be no way the minister would deny unanimous consent to continue with the further amendment of this important bill. After all, he is the Minister of the Environment; he has already shown his initiative and aggressiveness in charging his colleague the Minister of Transportation and Communications, hauling him off to jail and fining him. Obviously he has a strong and independent approach to these matters, and for him to deny unanimous consent for the well-thought-out and necessary amendments put forward by my colleague is practically unimaginable.

Mr. Chairman: Does the minister want to speak to this?

Hon. Mr. Norton: Mr. Chairman, obviously I am very grateful for the glowing praise the

honourable member casts in my direction. It is not the first time, but I always get suspicious whenever he does it.

Mr. Nixon: You are not leading up to denying unanimous consent, are you?

Hon. Mr. Norton: I am torn, because in addition to that, I also have a very strong commitment to the principles of parliamentary democracy and to the traditions of this House and of parliaments around the world, and I think that to agree to accept amendments that are as irrelevant to this bill as that would just fly in the face of that tradition.

Mr. Nixon: No, no. They are relevant to the Environmental Protection Act.

Hon. Mr. Norton: As a Conservative who believes in the traditions of this august body, I really must—

Mr. Nixon: You know what happened to Harry Parrott. He used to deny unanimous consent.

Hon. Mr. Norton: Listen, I do not think that even with unanimous consent you could get away with it. It is so blatant.

Mr. Chairman: Speaking to section 78(3), the proposed amendment, I am going to rule that this does not relate to the bill that is in front of us. Now, is there a further amendment?

Hon. Mr. Norton: You might as well throw the rest of them out: they are all the same.

Mr. Kerrio: No, Mr. Chairman. My amendments now are additions to what has been presented here, and I wonder if you are going to rule on those.

Mr. Chairman: One at a time; we will rule as they come up. So let us hear the next one.

Mr. Kerrio: All right. I have an amendment as it relates to parties, Mr. Chairman.

I move that the bill be amended by adding thereto the following section: "Whenever a proceeding before any board, tribunal, commission or court, or any appeal or review thereof is authorized under the provisions of this act; the board, tribunal, commission or court may permit any person to join as a party, intervenor or amicus curiae to the proceeding, appeal or review as the board, tribunal, commission or court may consider appropriate having regard to the purpose of this act."

Friends of the court, in these particular areas of environmental protection are including interested parties—

Hon. Mr. Norton: Point of order.

Mr. Chairman: We have a point of order. We are going to hear the point of order.

Hon. Mr. Norton: I allowed the honourable member to go this far without rising on a point of order because, knowing his reputation as a party man, I thought if he was going to introduce amendments relating to parties, I would not want to stand in his way, but then I got a little further on and I realized what it is he is up to.

It seems to me that this falls into the same category as the previous amendment in being irrelevant and not touching upon any principle that is contained in this bill. I might point out to him that if he is referring back to the Environmental Protection Act, that act does allow the board to specify anyone as a party. To include this amendment in this bill would be out of order.

Mr. Kerrio: Mr. Chairman, what we are really talking about is in certain appeal procedures all the parties are not able to attend. In fact, only the applicant is going to attend to the exclusion of everyone else. I think that in matters of the environment, we have to have any party who is interested in the proceedings up here.

Hon. Mr. Norton: The honourable member is—

Mr. Chairman: Order, please. I have heard arguments from all sides, and the member for Niagara Falls, to me, has failed to specifically relate the section that this is in reference to under Bill 143. On the other hand, I think it fair to say that the proposed amendment is, indeed, so general that maybe it could, under all circumstances—

You are shaking your head.

Hon. Mr. Norton: I do not agree.

Mr. Chairman: Fine, you can take this job and I will take yours and then you can make the rulings.

Mr. Nixon: Now, that's a fair deal.

Mr. Chairman: In my learned opinion, and I know my colleague, the honourable minister, has from time to time heard those select words from different judges who he, I am sure, has appeared before, I think I am going to allow the amendment to be discussed.

Hon. Mr. Norton: Mr. Chairman, I am afraid I will have to challenge that ruling.

Mr. Nixon: No, wait, wait, wait.

Mr. Chairman: Yes, let's sort this out.

Hon. Mr. Norton: Are you going to vote on it?

Mr. Chairman: Well, we are—

Mr. Nixon: No, but I submit to you, Mr. Chairman, that the procedure that the honourable minister is embarking on is very ill advised.

Hon. Mr. Norton: Are you going to accept a voice vote?

Mr. Nixon: No. If you challenge the chairman, then the chairman is challenged and I suggest to you that you do so at your peril.

Hon. Mr. Norton: Oh, come on.

Mr. Nixon: Listen, it is not a matter of "Oh, come on." The last guy who did that is not here any longer.

Hon. Mr. Norton: That is fine, I intend to stay. You are not going to get rid of me in—

Mr. Nixon: They made him chairman of the heritage council. I am telling you—it is just a little friendly advice.

Hon. Mr. Norton: It is not related. I do not accept that decision and I do not think they should get away with it. It is not and if they are prepared to accept a voice vote—

Mr. Nixon: You do not have to explain it to me, you have to explain it to your colleagues.

Hon. Mr. Norton: I know it is wrong. If they are willing to accept a voice vote—

Mr. Nixon: No.

Mr. Chairman: We are getting a little bogged down here. Let us carry on. Mr. Minister—

Hon. Mr. Norton: May I—

Mr. Nixon: You withdraw your challenge and we will accept a voice vote on this section.

Mr. Kerrio: On the amendment.

Hon. Mr. Norton: That is what I meant. In that case I will withdraw the challenge on that understanding.

Mr. Chairman: Where we are at now? I was taking it under consideration that the amendment would be discussed.

Mr. Nixon: If you do not want the members called in, then do not challenge the chairman.

Hon. Mr. Norton: As long as I have your undertaking that you are not going to—

Mr. Chairman: The member for Niagara Falls.

Mr. Nixon: On a point of order:

Mr. Chairman: Yes.

Mr. Nixon: I cannot give an undertaking on whether we are going to vote on the amendment by calling in the members. We have had a number of amendments and all of them should have been accepted by the House, but having heard the minister's objections, we have accepted

a voice vote. We understand if we call in the members for a vote when we are in committee, there are no names listed anyway, it is just the numbers. There is every reason to believe that although the vote would be close we might not win it. But if the minister insists we give some kind of commitment not to do that, I certainly cannot do that. He should thank me for assisting him in getting off the silly meathook he just impaled himself on. It is not everybody who gets off that hook.

5 p.m.

Hon. Mr. Norton: If I got off it, it was because I was inadvertently misled by the honourable member—

Mr. Chairman: Let's not get into all this now.

Mr. Kerrio: Mr. Chairman, in keeping with our policy to attempt to influence the minister, I really do not care about how we handle these amendments. What I am hoping is that the minister will take a little advice from the people sitting on these benches, who are attempting to clean up one of the very serious problems that exists here.

When we talk about parties of interest and those people who are friends of the court, I attended, in Lewiston, New York, at the invitation of our American friends, a meeting on matters of extreme importance relating to the environment. I thought it was a very significant move on their part to begin to enlarge the scope of people they are willing to have come before tribunals, hearings and appeals. I suggest to you it is time the people of Ontario were able to do the same thing. You should widen this act to accept those interested parties who have something to offer, be they citizens or members of this Legislature, who have a bona fide interest in the proceedings and a real commitment to cleaning up the environment.

When I move this amendment, I am doing it in good faith and hope you will accept it that way, to encourage people who are experts in the field and interested people to participate where they might be excluded without this amendment.

Hon. Mr. Norton: It is an amendment I cannot accept for the reasons I indicated before.

Mr. Chairman: The member for Niagara Falls (Mr. Kerrio) has moved a proposed amendment. I will dispense with the reading.

Those in favour of the proposed amendment will please say "aye."

Those against will please say "nay."

In my opinion the nays have it.

The amendment is lost.

Mr. Kerrio: Mr. Chairman, I have a lot of amendments. If I accomplish nothing else, I think I will accomplish something on behalf of the citizens of Ontario by reading them into the record. I hope the minister might, at his leisure, read some of these amendments that have taken our research people a long time to prepare and that show our concerns about the environment. I will read into the record the next amendment we would offer. It is a review of the regulations and public notice and reporting. These things are very important.

Mr. Chairman: Let's read it.

Mr. Kerrio: You have copies, Mr. Chairman. I will just quickly read them into the record. I move that the bill be amended by adding thereto the following section:

"1. In 1982 and every fifth year thereafter, the Environmental Assessment Board shall review all regulations that relate to the quality of the environment, having regard to their adequacy to protect the environment and the public trust therein from contamination and degradation, especially in the light of technological advances that can be applied in the province of Ontario.

"2. The Environmental Assessment Board shall give public notice of the review and during the review may receive public submissions in evidence to the extent and in the manner that is considered appropriate.

"3. Upon completion of the review, the Environmental Assessment Board shall make a report therein to the minister, including in the report any recommended changes to the regulations, and the minister after receiving the report shall then lay the report before the assembly if it is in session, or if not, at the commencement of the next ensuing session."

Mr. Chairman, I respectfully submit this amendment. It shows uncommonly good sense as to how the minister should conduct himself in the future.

Mr. Chairman: I would like to hear arguments as to my acceptance of hearing the amendment. Mr. Minister, what is your view?

Hon. Mr. Norton: Mr. Chairman, I think it is eminently clear there is nothing in the bill—unless someone can show me where I have missed it—that deals with either the power to pass—

Mr. Chairman: Why put the onus on the chair? The chair says, "I don't see anything in the bill that this cannot be related to."

Hon. Mr. Norton: Pardon?

Mr. Chairman: Double negative. I am having difficulty. If this is so general, maybe it can be related to all—

Hon. Mr. Norton: It is not general. It is very specific. It is a procedure for reviewing regulations and there is nothing that even relates to that in the bill. I am suggesting it is clearly out of order.

Mr. Charlton: Mr. Chairman, the Liberal critic has put forward a number of amendments this afternoon and some of them have some serious merit, but I am afraid I have to agree with the minister that these amendments are not in order. They have no direct relationship to the principle of this bill. We are considering the estimates of the Ministry of the Environment next week. I would suggest to the Liberal critic that all of these matters should be raised next week and discussed in detail instead of this game we are playing here this afternoon.

Mr. Kerrio: We shall raise them continuously.

Mr. Chairman: I am having difficulties in terms of—I am having difficulties.

Hon. Mr. Norton: May I assist you?

Mr. Chairman: Yes, please do.

Hon. Mr. Norton: You quoted earlier, Mr. Chairman, from May and I thought I understood what you quoted. Perhaps you could read it back for my benefit and others in the chamber and it might refresh all our memories. If this section is as completely irrelevant as it appears to me, I cannot understand how by the wildest stretch of the imagination one can relate it to any principle that is in the bill. It just is beyond my comprehension how one could see that.

Mr. Chairman: I will make the ruling that this amendment is not in conjunction with any aspects of the bill and so rule.

Are there any further amendments?

I want to advise the member for Niagara Falls that I am not going to debate the next three. I do have serious reservations about them.

Hon. Mr. Norton: I think you should make him read that long—

Mr. Chairman: However, I was going to suggest in the usual unbiased nature of the chair we would give consideration if the member would like to read these very important proposed amendments for the record.

Mr. Kerrio: I shall do that, Mr. Chairman. Then I shall pursue them further and I accept your authority here.

These amendments, if I may read them into the record quickly, show the—

Mr. Chairman: We will go one at a time and I will make a ruling.

Mr. Kerrio: I move that the bill be amended by adding thereto the following section—this is now notice of proposed regulation, publication and effective contravention—

“(1) Regulation making authority means any authority designated by the act empowered to make any regulation under the act.

“(2) Where a regulation making authority proposes to make a regulation, it shall cause a proposed regulation to be published in the Ontario Gazette at least 60 days before it proposes to file the regulation with the registrar of regulations and request briefs or submissions in relation to the proposed regulation. A regulation filed in contravention of section 2 does not come into effect.”

Mr. Chairman: I would point out to the member that I am sure he has many arguments as to why this should be debated. Unfortunately, I have allowed you to read it into the record. I am going to rule that it is not in relation to the bill and it is out of order.

Mr. Kerrio: Thank you, Mr. Chairman.

Mr. Chairman: Do you have any further amendments?

Mr. Kerrio: Mr. Chairman, I have an amendment to the act and I would move the bill be amended by adding thereto the following section:

“A right to information: Every person has the right to obtain from the minister any available information concerning the quantity, quality or concentration of contaminants emitted, issued, discharged or deposited by any source of contamination or degradation;

“The right to examine: The minister shall permit any person who applies therefor to examine any licence, permit, approval, certificate of approval, provisional certificate of approval, control order or other order, notice of intention to issue a control order, program approval, provisional certificate of approval, notice of violation of the act and any information in support of any such document and, on payment of a fee not to exceed 10 cents per page, a person shall be provided with a copy”—

5:10 p.m.

Hon. Mr. Norton: On a point of order, Mr. Chairman: As an act of generosity to the honourable member I would be willing to assent to dispensing with the reading of this section, although I understand the honourable House leader for the official opposition is keenly interested in hearing it read.

I would be willing to have it incorporated in Hansard in its written form, which we all have, to avoid the necessity of dissipating the energy of the honourable member for Niagara Falls. I can see him progressively weakening as the afternoon wears on and I do not like to be cruel.

Mr. Nixon: On a point of order, Mr. Chairman: I am afraid on behalf of my colleague we really cannot start the practice of incorporating tracts of information, no matter how valuable, simply by consent. We would get into the same situation the US Congress does when there is nobody there at all. By motion they incorporate reams and reams of good stuff. I do not think we should start doing that.

If the Chairman finds in his wisdom he can avoid the threat of the minister to challenge his ruling and call in the hordes of Tories to defeat his ruling, and if he finds in his wisdom the matter is out of order, then so be it.

Mr. Chairman: We had better not stray far from the tradition of allowing proposed amendments at random being put into Hansard. If the member for Niagara Falls would still like the proposed amendments to be on the record he may continue.

Hon. Mr. Norton: On a point of order, Mr. Chairman: It would seem to me this amendment is out of order. I wondered if the Chairman might care to read it and make a ruling prior to the honourable member having further dissipated his energy. I am sure he would appreciate the ruling before the completion of the reading.

Mr. Chairman: As the table pointed out, with all the interruption we could have had it read anyway. The difficulty is I did not have the opportunity to receive any amendments until I got to the chair. Either we have a great lapse in time while I read it or we allow the member for Niagara Falls to read it so I can read along and then I will make my ruling. You can continue to read it.

Mr. Kerrio: I would like to assure the minister I am not a sprinter, I am an endurance-type person. I shall persevere and read this into the record. I submit, Mr. Minister, you would be well advised to read the amendments and incorporate some of them in your next bill.

“(3) The minister shall permit any person who applies therefor to examine any report or any test, observation, inspection or analysis carried out by or under his authority relating to any operation subject to the act and, on payment of a fee not to exceed 10 cents a copy, the person shall be provided with a copy thereof.

“(4) Notwithstanding subsections 2 and 3, the minister may refuse an application made under subsections 2 and 3 when in his opinion the information sought to be disclosed contains:

“(a) Information the disclosure of which would be injurious to law enforcement or the conduct of lawful investigations, including investigative techniques or plans for specific lawful investigations;

“(b) Information containing personal information respecting an identifiable individual including, without restricting the generality of the foregoing:

“(i) Vital statistics;

“(ii) Background personal information;

“(iii) Medical, criminal, educational or employment records or history;

(iv) The personal opinion or views of the individual, unless those opinions or views are given in the course of employment in the public service of the government of Ontario.

“(c) Information of a commercial, scientific or technical sort:

“(i) The disclosure of which could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, organizations or government institutions, or,

“(ii) The disclosure of which would reasonably be expected to result in undue financial loss or gain by a person, group of persons, organizations or government institutions and which, without restricting the generality of the foregoing, includes confidential technology, trade secrets, marketing information, customer lists, advertising budgets, and funding sources or,

“(d) records of proposals and recommendations to the deliberations and proceedings of the executive council or any committee thereof.”

And dealing with notice: “5: Where the minister under subsection 4 refuses an application for disclosure of information, he shall within 20 days so inform the applicant together with written reason thereof, and he shall inform the applicant of his right of appeal to the Environmental Assessment Board hearing.

“6: Any applicant may, within 15 days of receipt of a notice under subsection 5, by

written notice served upon the minister and the Environmental Assessment Board require a hearing before the Environmental Assessment Board.

"7: In a hearing under subsection 6, the Environmental Assessment Board shall take every precaution, including where appropriate receiving representations, *ex parte* and conducted hearings in camera to avoid disclosure by the Environmental Assessment Board or any other person of any information the disclosure of which may be refused under this section."

Onus: "8. In a hearing under subsection 6, the onus of establishing that access to the information may be refused shall be on the minister."

Order: "9. At the conclusion of the hearing, the Environmental Assessment Board may make such order as it considers appropriate having regard to the provisions of this section, and without restricting the generality of the foregoing may: (a) order the disclosure of all or part of the information sought to be disclosed; or (b) where the Environmental Assessment Board has determined the information shall not be disclosed, order that a nonconfidential summary of all or any part of the information be prepared."

Appeal: "10. An appeal lies to the divisional court of Ontario from a decision of the Environmental Assessment Board on a point of law or jurisdiction."

Hon. Mr. Norton: Since the member for Niagara Falls has done such an admirable job of reading this into the record, I wonder, given the complexity of the language, if the member for Brant-Oxford-Norfolk before his departure would explain it to me briefly in about three minutes or less in layman's language.

Mr. Chairman: He does not have to.

Mr. Nixon: The Chairman has already ruled it out of order.

Mr. Chairman: No, I have not. But I was just about to rule it out of order. The minister has been up—

Mr. Nixon: Is it open for debate? If it is open for debate we must assume we have unanimous consent for its inclusion—

Hon. Mr. Norton: No.

Mr. Nixon: No? He is denying unanimous consent?

Mr. Chairman: I have not ruled yet. Now having had the opportunity of reading the

proposed amendment I am afraid it has no relation to the bill in front of us. We will rule it out of order.

Mr. T. P. Reid: It was a good idea you must admit.

Mr. Kerrio: Mr. Chairman, this is the final amendment I should share with the minister, and I make the same appeal before I put this on the record, that the minister will avail himself of the kind of research and work done on these amendments, and possibly in the near future include them in amendments to further environmental protection.

Mr. Chairman: Order. I point out to the honourable member I have not yet decided whether I will allow this to be put on the record.

Mr. Kerrio: I move the bill be amended by adding thereto the following section:

Interpretation—this section has to do with funding: "The environmental hearing assistance fund"—

Mr. Chairman: Order. I have some bad news for the member. Having had the opportunity to read this proposed amendment, under our standing orders section I(15) states, "Any bill, resolution, motion or address, the passage of which would impose a tax or specifically direct the allocation of public funds, shall not be passed by the House unless recommended by a message from the Lieutenant Governor, and shall be proposed only by a minister of the crown."

Under the circumstances, I am afraid I will not allow the member to read this proposed amendment into the record.

Mr. Kerrio: I accept the decision on this matter, but as long as it appears this party is prepared to have funding for interested people to help clean up our environment, enough has been said.

Hon. Mr. Norton: I would like the record to show, even though the member is well aware of the standing order, at no time did he bring his amendment to me and ask me if I would introduce it for him. Surely, it is a serious oversight.

Mr. Nixon: Why should he do that? He is an elected member also.

Section 7 agreed to.

Preamble agreed to.

5:20 p.m.

On motion by Hon. Mr. Norton the committee of the whole House reported one bill without amendment.

Assistant Clerk: The twenty-fourth order, second reading of Bill 167, An Act to validate certain Road Closings and Conveyances in the City of Ottawa.

Mr. Rotenberg: Bill 147.

Assistant Clerk: The thirteenth order, second reading of Bill 147, An Act to facilitate the Negotiation and Resolution of Municipal Boundary and Boundary-related Issues.

Mr. Nixon: Mr. Speaker, on a point of order: Normally we go down our Order Paper in the order in which the bills are listed. When we set aside Mr. McMurtry's bills because of the illness of the member for Riverdale (Mr. Renwick), we then moved to order 24, which is Bill 167. It may not require extensive debate, but I do not recall any agreement was made to set aside Bill 167 and move to Bill 147. I suppose it is not essential, but Bill 167 was probably put first because it may not elicit lengthy debate, whereas Bill 147 is more major in its content.

Mr. Rotenberg: The honourable minister wished to carry Bill 167 himself. He is not here this afternoon. It was indicated to the critics of the ministry that Bill 167 would not be dealt with and that we would move directly to Bill 147.

MUNICIPAL BOUNDARY NEGOTIATIONS ACT

Mr. Rotenberg, on behalf of Hon. Mr. Bennett, moved second reading of Bill 147, An Act to facilitate the Negotiation and Resolution of Municipal Boundary and Boundary-related Issues.

Mr. Rotenberg: Mr. Speaker, as the minister stated in his introductory remarks on first reading of the bill, this legislation is the product of three years of review and consultation. The review began in the fall of 1978 when spokesmen for both urban and rural municipalities called for an alternative to bitter and costly confrontations before the Ontario Municipal Board over annexations and amalgamations.

They continued through 1979, when the Minister of Intergovernmental Affairs (Mr. Wells) proposed a new approach to the problem. This new approach, modelled on labour-management bargaining techniques, was successfully piloted in the Brantford area. The members will recall the deliberations in the Brant-Brantford matter and the wide-ranging intermunicipal agreement that was later implemented by a special act of this House in June 1980.

In October 1980 a government position paper was released that outlined a model of the new

procedure. This paper formed a companion piece to the legislation introduced by the Minister of Intergovernmental Affairs on November 18, 1980, which gave general application to the Brant-Brantford approach. That legislation was allowed to die on the Order Paper to afford municipalities further opportunity for comment and debate.

Over the three-year review period there has been extensive municipal consultation. A working group representing the province's three municipal associations reviewed a draft of the position paper before its release last October. This same group was recently recalled to review a draft version of the present bill. Bill 147, which is before us, incorporates a number of the suggestions made by the interassociation working group.

From all the above I think it is fair to state that we have progressed from general support of the idea of change to substantial agreement on the specifics of a new procedure. Bill 147 represents the results of that consensus and incorporates changes intended to simplify and strengthen the procedure as well as to render it more politically accountable.

In general the bill serves three basic ends. First, it provides a process for the negotiation of intermunicipal boundary and boundary-related issues in a way that ensures that elected politicians, rather than lawyers and consultants, will determine the nature and shape of our communities.

Second, it provides an extended frame of reference from which municipalities can draw to find solutions to their common boundary problems. Some boundary problems may not need to be solved by moving jurisdictional lines on a map. Bill 147 provides for municipalities to come to agreement on a wide range of topics including but not limited to boundary changes.

Third, the bill provides a mechanism in the form of an order in council for giving effect to simple boundary agreements.

The bill also empowers the cabinet to make use of orders in council to provide solutions to boundary problems which cannot be resolved through local negotiations. This will occur whenever the minister has referred unresolved issues to the municipal board, the board has made recommendations and cabinet has decided to act. This expansion of cabinet's order-making powers will represent a significant change from the earlier bill in which the Ontario Municipal Board retained decision-making power in the event local negotiations failed to produce agreement.

Under Bill 147, a municipality that has a boundary problem or a boundary-related problem would apply directly to the Minister of Municipal Affairs and Housing rather than to the OMB. The only exception would be where problems involved unorganized territory. In such latter cases, the municipality would continue to seek direct access to the board for a hearing and decision under the Municipal Act. However, in the majority of cases, application would be made to the minister. The revised bill leaves it up to the minister to decide whether to proceed with any application and if the minister does so decide to proceed, an inquiry would be conducted by staff from the ministry's municipal boundary secretariat.

On an application for a simple boundary change which involves no special planning arrangements and which was readily agreed to by the municipality and owner/owners of the lands in question, this inquiry stage might last a few days or weeks at the most. Implementation by order in council could then follow fairly quickly as long as there was no significant citizen opposition.

This is similar to the way in which matters are now handled by the Ontario Municipal Board. The OMB directs that public notice be given on each annexation application. If no individual objections are received, the board dispenses with the hearing and proceeds to put the change into effect by order.

If a situation were more complex, involving a multitude of issues and interested and affected municipalities, the inquiry stage would be more comprehensive. In such cases, in-depth research might be carried out under the direction of the municipal boundary secretariat and detailed documentation produced on the issues and particular points of view.

It is not anticipated that the inquiry stage will generate early agreement in these more complex cases. It is more reasonable to expect that formal face-to-face negotiation will be required. Once this has been determined, the minister could direct the party municipalities to name members of their council to sit on a negotiating team and recommend agreements on their behalf. These representatives, together with a chief negotiator from the municipal boundary secretariat, would then constitute the negotiating committee. An advisory panel of experts would be available to advise this committee at their request.

Formal negotiations would end with the release of a report from the chief negotiator,

setting out the extent of agreement or disagreement within the negotiating committee on the issues negotiated and any tentative agreement reached. If negotiations ended in agreement on one issue or a package of issues, as was the case in Brant-Brantford, the agreement would become subject to mandatory provisions regarding public notice, public meetings and meetings of council.

At the conclusion of this period of public debate, the councils of the party municipalities could move to ratify the agreement and the minister proceed to legislate the changes agreed upon or in certain circumstances to recommend implementation by order.

If the formal negotiations fail to produce agreement or at least left certain issues unresolved, the minister would have a number of options available. He could refer the issue back to the negotiating committee or to the municipalities for renegotiation. He could seek advice of an issues review panel. He could terminate the application or he could introduce legislation. Alternatively, he could refer the party municipalities to the Ontario Municipal Board.

As outlined above, the board would hear the municipalities and make recommendations. Following upon these recommendations, cabinet could move to impose a solution by order or decline to issue such order.

The legislation contains a number of procedural safeguards which ensure that objections from individual residents and property owners are considered before any final decisions are made.

5:30 p.m.

As I mentioned earlier, any tentative agreement recommended by a negotiating committee would become subject to mandatory provisions regarding notice and public debate. Under these provisions the council of each party municipality would be obliged to explain the agreement at one or more public meetings and to seek out and consider any subsequent objections at an open meeting of council. This would provide more protection than residents and property owners have under existing procedures. A municipality is now under no legal obligation to consult with its constituents before deciding to pursue or resist a controversial annexation application.

A further opportunity for public input is provided prior to the issuance of an order in council. Citizens' objections received at this stage would be handled by referral to the party municipalities to see if they could be met by way

of amendment to the intermunicipal agreement or by referral to an issues review panel, the Ontario Municipal Board or a hearing officer for hearing and recommendations.

Before concluding, I would like to comment on the kind of agreement we expect to see negotiated under the authority of this bill. Both the minister and I expect the bulk of the agreements will involve simple boundary changes. Changes like those to accommodate industrial sites or residential subdivisions now account for more than 70 per cent of all annexations processed by the OMB each year. These boundary adjustments will continue to proceed by order.

A second category might include agreements that contain special planning provisions involving official plan zoning bylaw revisions or a land-use freeze. Agreements involving official plan revisions could be effected by order in the same way as simple boundary adjustments. The only different thing is that final implementation would have to await the outcome of OMB hearings and other proceedings provided under the Planning Act. In other words, agreements under this act do not supersede the Planning Act, and do not take away from anyone the right of a hearing on official plan amendments or zoning amendments under the Planning Act.

Agreements involving a more or less permanent restricted-to-agriculture related area, along the lines of the Brantford-Brant Annexation Act, would have to be implemented by an act of the legislature. This legislation is clearly the appropriate forum for dealing with changes that have such major implications on property rights. Bill 147 does not vest such authority with the minister or with the cabinet.

I have given notice to the opposition critics of two minor amendments, which clarify a couple of sections of this act. With those amendments, I would commend this act to the members of the Legislature, as I have said, as the result of about three years of negotiation with all the municipal associations. We feel this will make the whole process of boundary disputes and boundary negotiations much simpler, much more in the political forum, and much more available to the public for discussion. I commend this act to the Legislature.

Mr. Epp: Mr. Speaker, I am pleased to speak to this piece of legislation and to indicate at the outset this party will be supporting Bill 147. We believe this bill is long overdue. We have said for some years the process that was in vogue for a number of decades, where municipalities

wanted to annex some property, whether a small piece or a large piece, was very antiquated, very expensive, and certainly very time-consuming. We encouraged the government—as the former leader of this party and the present leader, as well as different caucus members, have done over a number of years—to take some important forward-stepping progressive action in order to expedite those kind of disputes, the ones the parliamentary assistant was addressing his attention to.

We feel that theoretically this piece of legislation should work very well, and we hope that it does so in practice. We know the model legislation that was applied to Brant township and Brantford has been in place for close to a year, and I understand it is working relatively well. We debated that in this Legislature and at that time the legislation got the support of the whole House with certain reservations.

We also know there are some places in the province that have gone the long and expensive route of having OMB hearings. For instance, if we look at the Barrie-Innisfil situation, we have to look at the expenses those two municipalities encountered during the Ontario Municipal Board hearing and prior to it. A conservative figure used in that annexation battle has been \$1 million. That \$1 million only produced more expensive lawyers and consultants because that is where the money really went, through the various hearings they had—the appeals and so forth. We feel this legislation will not only expedite some of the problems encountered in inter-municipal boundary disputes, but will also be a lot less expensive.

We also know there has been a working group on this piece of legislation. The government, to its credit, has consulted with the municipalities over a number of years on this matter. For instance, it has consulted with the Association of Municipalities of Ontario which is the largest of the municipal organizations. It consulted with the Association of Counties and Regions of Ontario. It also consulted with the Rural Ontario Municipal Association.

It had a working committee of about 12 to 14 people made up of both elected municipal representatives and staff. Some of their recommendations have been adopted by the province. It is to the government's credit that at least it did some consulting with the municipalities before it brought in this piece of legislation.

Because of that consultation and because the municipalities have had some input, which is not always the case, this legislation has a much

better chance of being successful in the long run. It is the municipal representatives who have had the best opportunity of dealing with the inter-municipal problems and of trying to inject some kind of expertise, wisdom and experience to try to make the proposed legislation work.

We are also quite pleased the school boards are going to have some say in the negotiations before they come to fruition, before the final decision is made or legislation is introduced in those cases where it has to be introduced.

Had this legislation been in place maybe 10 or 15 years ago, we might well have avoided a number of the regional governments we have in the province. It was because of the many boundary disputes encountered in the 1960s and the early 1970s that this government brought in regional government. Although it might not have avoided all the regional structures in the province, I am confident it would have avoided some of them. That in itself would have saved millions of dollars because all of us know regional government has been a very expensive toy this government has put in place.

There are a number of warts that I see in the legislation itself. Under the bill the minister has a large amount of power. He is extremely powerful from the standpoint of being able to make a lot of decisions and recommend certain things to the cabinet which will come forth in orders in council. Mr. Speaker, I know you are very interested in this because you would not want the minister to have too much power or abuse his authority.

If we look at section 6(1) it says, "Following the sending of a report under section 4, the minister may" do certain things. If we look at section 6(2), "the minister may appoint." Section 7 says "the minister shall appoint a person to serve as chief negotiator." Section 9(1) says "the minister may, at any time, constitute one or more issues review panels." Section 9(2) says "the minister shall constitute an issues review panel." Section 10(1) says "the minister may." Section 13 says "the minister may." Section 14 says "the Lieutenant Governor in Council may by order." Section 19 says "the Lieutenant Governor in Council may."

5:40 p.m.

So it gives a lot of prerogative to the minister, and through him to the cabinet. I would doubt very much when the issues come before the cabinet that every minister who is there making a judgement on a particular matter is going to be fully knowledgeable about it. As a result of that,

the minister who should be acquainted with the whole matter usually makes a recommendation and I am sure that nine times out of 10 that recommendation carries.

So the minister has an extreme amount of power and it may be necessary to bring in some kind of amendment which would limit that power. I know municipal representatives have reservations about this. Some of them are prepared to wait and see how the legislation works out. Others feel corrective action should be taken in this Legislature to make the minister more accountable to public opinion, rather than depending on his own wishes or prejudices.

Another concern municipal politicians have, and that our party has, is about the policy and guidelines manual we are told will be coming out sometime in January. This is very vague. We have not seen that manual and it is very ironic that legislation is always passed before the guidelines come out. Often the guidelines are as important, if not more important, than the actual legislation. It is those policies the minister disseminates and the guidelines he draws up that often determine whether a municipality is going to have certain freedoms or rights or win or lose certain cases.

We only wish the parliamentary assistant who is here today speaking on behalf of the minister could assure us that in January the municipalities' representatives, the Association of Municipalities of Ontario, will be fully consulted with respect to the guidelines and policies the minister is going to articulate and disseminate. If he is not in a position to give that assurance, it would make us even more suspicious that the kinds of policies that are going to be disseminated are not going to be in the best interests of the municipalities of this province.

We also have a problem with this legislation because of the final appeal. If there has been some violation in law in the perception of some people who are concerned, we would like to be sure there is going to be some kind of appeal to the Ontario Municipal Board in order to clarify that. It would be better still to have some kind of judge, or somebody with a good knowledge of the law, to rectify that situation. The last thing we would want is a violation of law as far as the legislation is concerned and no clear body to clarify that piece of legislation or violation.

We may finish second reading today or maybe on another day, but when the amendments come up we may very well introduce some amendments directed to some of the points I have raised in second reading.

Ms. Bryden: This is a very important bill because it is breaking new ground in the settlement of disputes over boundaries or in the changing of boundaries. But as the saying goes—territorial changes are a major cause of disagreement—fences make bad neighbours. It is a very sensitive area and it must be dealt with in a way that will bring maximum satisfaction to all parties concerned. It must also make sure all their concerns are considered.

As the parliamentary assistant mentioned, it has been preceded by a lot of study, by a government position paper, by consultation with the municipal organizations and by a pilot project in the Brantford-Brant area. It was also preceded by a bill introduced last fall and this has given the public an opportunity to see the shape of the legislation.

We now come to the 1981 version of the bill in Bill 147. We intend to support the bill as a worthwhile movement in this field—to produce procedures resulting in speedier handling of changes in boundaries and also in more satisfaction to the parties concerned. Having said that, we feel there are quite a lot of deficiencies in the bill and we would hope some of them may be corrected by amendments.

First there is the application of the bill. It appears to be limited to municipalities that are not part of a regional government, a district municipality or the county of Oxford. This cuts out a very wide group of municipalities. Presumably these regions operate under their own acts and they can apply for their own amendments if they wish to change boundaries within the region.

It would appear the collective bargaining procedure is not going to be applied within those regions. They will work out their own procedures. If the collective bargaining procedure is a good process, I question why it should not be extended to the regional municipalities in some form. Perhaps it would require amendments to their particular act.

It is not clear whether the act applies to counties but I presume it does, since they are not specifically mentioned as the excepted areas. The act does apply to the regions when in the opinion of the minister the boundary issue is of a minor nature. I would like the minister to clarify what he means by a minor nature. That is not defined anywhere in the bill. It may produce considerable uncertainty within the regions as to whether any boundary issue is or is not covered by this bill.

There is another area of coverage that raises a

question. It appears school boards are to be consulted when a boundary issue comes up, if the minister thinks they are affected. But they cannot be a party to the negotiations. They are not listed as a party under party municipality and presumably they cannot be a party.

It seems to me any local body within the geographic region being considered for a boundary adjustment should be notified there is going to be a determination of a boundary change. It should not just be left to the minister to decide which local bodies shall be consulted. All local bodies within the geographic area affected should automatically be notified. That area of the bill should be amended.

5:50 p.m.

However, the question of coverage is only one of the areas where we feel there is some questioning of the general principles. Our main concern is that this bill gives too much discretionary power to the minister. I draw your attention to two or three clauses which really underline this criticism. For instance, section 6(1)(d) gives the minister power to “take such other action as the minister considers appropriate.” Section 13(g) has the same phrase in it. Section 21 is the overall ministerial discretion clause. I am sure if we had it in every act we really would not need the Legislature around. Section 21 says:

“The Lieutenant Governor in Council, upon the recommendation of the minister, may authorize all such acts or things not specifically provided for in this act that in the minister’s opinion are necessary or advisable to carry out effectively the purposes or intent of this act.”

While it is true the Lieutenant Governor in Council more or less has to rubberstamp what the minister recommends, it does mean the minister can do anything under this act that he says was not provided for but is necessary to implement and carry out the act. I submit that the minister should have to come back to the Legislature if there are things he has forgotten. He should have to come back when he discovers there are deficiencies in his bill that require additional legislation.

I think the practice of giving this kind of sweeping power to either the minister or the Lieutenant Governor in Council is simply raising the executive council to the position of almost a dictator in the province. It is eliminating the power of the Legislature to determine what the law of the land shall be. I think those very sweeping clauses should be stricken from the act.

The Liberal Party critic (Mr. Epp) has mentioned that a great deal of the implementation of this bill will be done through a manual which the ministry intends to issue after the bill is passed. This is another area of ministerial power. We really should have the manual in front of us while we are considering the bill because we have no idea what a lot of the procedural details will be until we see that manual. I think it would have been desirable if the manual could have been produced along with the legislation.

If it cannot come until the legislation is passed, there should at least be an opportunity for it to be submitted to opposition members and to the public. There should be some time to object to procedures in it before it becomes adopted as a manual of procedure. In effect, without the manual, we are really buying a pig in a poke. We do not know exactly what the procedures will be. We do not know how the people who investigate the applications from the minister will be chosen for example.

Another area where we think the bill is deficient is in the question of public input. It is true that after an agreement has been reached, there will be a requirement that a public meeting be held to inform the public of the proposed settlement. The council of the municipality will have to hold an open meeting of council—I hope all the meetings of council are open. They certainly should be. The public could find out at that time what the proposal is and could make objections after an order is issued.

But I submit this is too late in the process for the public to be involved. The public should be involved at the time the first proposal is made to effect a boundary change. When an application is submitted to the minister for a boundary

change, the public should be informed that an application has been made. The minister is given power to consult local boards at that time and to consult school boards. I think he should be required to notify all local boards in the area, including school boards, and all municipalities affected by the geographical area, not just the ones he decides should be party municipalities. At the same time, he should notify the public that an application has been made, and what the application seeks to do.

It would be desirable if a public meeting was provided for at that time, so that the public could have a chance to ask questions and find out more details. I think simply an advertisement in the newspaper that an application has been made would tend to be inadequate, unless the minister took a whole page of the newspaper in some cases. The public should have the right to know what is being planned for their boundaries.

After the settlement has been agreed upon through the negotiation process, the minister is given the power to make orders implementing it. At that stage the public is notified and may make objections. The minister may then follow one of five courses in dealing with the objections. The fifth course he is given under the legislation is to decide that "The objection or objections is or are outweighed by the public interest." That simply means he can brush aside all objections and not have any further investigation.

Mr. Speaker: I would direct the member's attention to the clock.

On motion by Ms. Bryden, the debate was adjourned.

The House recessed at 5:59 p.m.

CONTENTS

Tuesday, November 24, 1981

Statement by the ministry

Welch, Hon. R. S., Minister of Energy:

Institute for Hydrogen and Electrochemical Systems. 3829

Oral questions

Baetz, Hon. R. C., Minister of Culture and Recreation:

McMichael Canadian Collection, Mr. Smith, Mr. Foulds. 3839

Davis, Hon. W. G., Premier:

Automobile industry, Mr. Cassidy, Mr. Wrye, Mr. Cooke. 3835

BILD program, Mr. Cassidy, Mr. Mancini, Mr. Cooke. 3838

Irwin Toy dispute, Mr. Mackenzie. 3840

Drea, Hon. F., Minister of Community and Social Services:

Assistance to elderly women, Mr. Breithaupt, Mr. McClellan, Mr. Peterson. 3831

McMurtry, Hon. R. R., Attorney General and Solicitor General:

Foreign interference, Mr. Shymko. 3843

Timbrell, Hon. D. R., Minister of Health:

OHIP coverage, Mr. Grande, Mr. Nixon. 3842

Welch, Hon. R. S., Minister of Energy:

Ontario energy investment, Mr. Breithaupt, Mr. Cassidy, Mr. Smith. 3833

Hydro service, Mr. Conway. 3841

Motions

Estimates, Mr. Wells, agreed to. 3844

Private bills, Mr. Wells, agreed to. 3844

First readings

Tribunals Conflict of Interest Act, Bill 173, Mr. Philip, agreed to. 3845

Succession Law Act, Bill 174, Mr. Smith, agreed to. 3845

Second reading

Municipal Boundary Negotiations Act, Bill 147, Mr. Bennett, adjourned. 3861

Committee of the whole House

Environmental Protection Amendment Act, Bill 143, Mr. Norton, reported. 3845

Third readings

Ontario Water Resources Amendment Act, Bill 144, Mr. Norton, agreed to. 3845

Pesticides Amendment Act, Bill 145, Mr. Norton, agreed to. 3845

Other business

Foreign interference, Mr. Shymko.	3825
Boxing gold medal, Mrs. Scrivener, Mr. Hennessy.	3827
Established program funding, Mr. Wrye.	3827
Hansard interjections, Mr. Mancini, Mr. Nixon, Mr. Martel.	3828
Tributes to Alan Albert Russell, Mr. McMurtry, Mr. Breithaupt, Mr. Cassidy.	3831
Compendium requirement, Mr. Nixon, Mr. Smith.	3843
McMichael Canadian Collection, Mr. Baetz, Mr. Smith.	3844
Answer to question on Notice Paper, Mr. Wells, tabled.	3845
Recess.	3866

SPEAKERS IN THIS ISSUE

Baetz, Hon. R. C.; Minister of Culture and Recreation (Ottawa West PC)
Bradley, J. J. (St. Catharines L)
Breaugh, M. J. (Oshawa NDP)
Breithaupt, J. R. (Kitchener L)
Bryden, M. H. (Beaches-Woodbine NDP)
Cassidy, M. (Ottawa Centre NDP)
Charlton, B. A. (Hamilton Mountain NDP)
Conway, S. G. (Renfrew North L)
Cooke, D. S. (Windsor-Riverside NDP)
Copp, S. M. (Hamilton Centre L)
Cureatz, S. L.; Deputy Speaker and Chairman (Durham East PC)
Davis, Hon. W. G.; Premier (Brampton PC)
Drea, Hon. F.; Minister of Community and Social Services (Scarborough Centre PC)
Epp, H. A. (Waterloo North L)
Foulds, J. F. (Port Arthur NDP)
Grande, T. (Oakwood NDP)
Haggerty, R. (Erie L)
Hennessy, M. (Fort William PC)
Jones, T. (Mississauga North PC)
Kerrio, V. G. (Niagara Falls L)
Mackenzie, R. W. (Hamilton East NDP)
Mancini, R. (Essex South L)
Martel, E. W. (Sudbury East NDP)
McClellan, R. A. (Bellwoods NDP)
McGuigan, J. F. (Kent-Elgin L)
McMurtry, Hon. R. R.; Attorney General and Solicitor General (Eglinton PC)
Newman, B. (Windsor-Walkerville L)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Norton, Hon. K. C.; Minister of the Environment (Kingston and the Islands PC)
Peterson, D. R. (London Centre L)
Philip, E. T. (Etobicoke NDP)
Reid, T. P. (Rainy River L-Lab.)
Rotenberg, D. (Wilson Heights PC)
Roy, A. J. (Ottawa East L)
Sargent, E. C. (Grey-Bruce L)
Scrivener, M. (St. David PC)
Shymko, Y. R. (High Park-Swansea PC)
Smith, S. L. (Hamilton West L)
Stephenson, Hon. B. M.; Minister of Education and Minister of Colleges and Universities
(York Mills PC)
Timbrell, Hon. D. R.; Minister of Health (Don Mills PC)
Turner, Hon. J. M.; Speaker (Peterborough PC)
Welch, Hon. R. S.; Minister of Energy (Brock PC)
Wrye, W. M. (Windsor-Sandwich L)



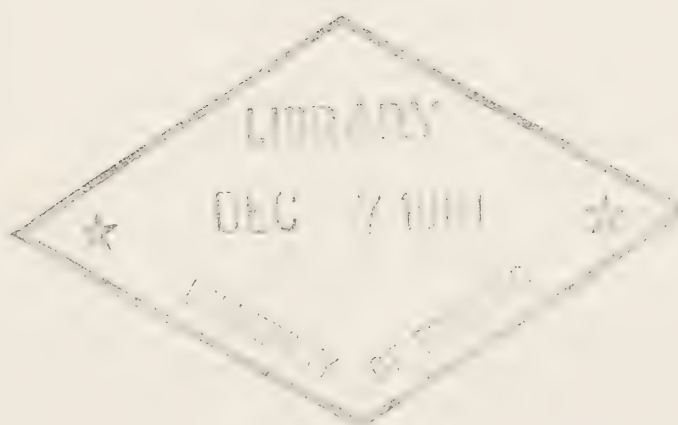
Ontario

LEGISLATIVE ASSEMBLY

No. 108

Legislature of Ontario Debates

Official Report (Hansard)



First Session, Thirty-Second Parliament

Tuesday, November 24, 1981

Evening Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Tuesday, November 24, 1981

The House resumed at 8:01 p.m.

House in committee of supply.

ESTIMATES, MINISTRY OF REVENUE (continued)

On vote 803, guaranteed income and tax grants program:

The Deputy Chairman: It is after eight o'clock; we are into the valuable time of the estimates. We are on vote 803.

An hon. member: Wasn't that carried?

The Deputy Chairman: No. The motion has not been called, and there is an option for members to participate.

Hon. Mr. Ashe: I thought it was pretty well covered last night, Mr. Chairman.

The Deputy Chairman: Well, we will confirm that, Mr. Minister.

Vote 803 agreed to.

On vote 804, property assessment program:

Mr. Haggerty: Mr. Chairman, there is one point I want to bring to the minister's attention relating to the property assessment program which is a matter of concern to a number of property owners in Ontario. It is the matter of urea formaldehyde foam insulation, which has caused some difficulties for a number of home owners and property owners who have had this type of insulation installed in their homes.

I was listening to the news at six o'clock or 6:30 tonight, and it was brought to my attention by the newscaster that one bank in particular, the Canadian Imperial Bank of Commerce, I believe, will not issue any mortgage assistance to property that has this type of insulation, because it may be causing some serious health problems. Other banks are now considering the same policy.

In a number of cases I am aware of, particularly in the Niagara Peninsula, people have had difficulty getting the government to reimburse them for the retrofitting that is required. In some cases, property owners and their families have had to move out of their homes for three or four months while extensive retrofitting was being done. But they were given no assistance by the federal or provincial governments, although

it was not through the property owners' negligence that such an unsafe product, which could cause serious health effects, was permitted to be on the market.

The matter is being looked after now by the Ministry of Health, and the monitoring is being done through the Minister of Labour's occupational health and safety division, which has the special equipment to monitor the gases.

It has been brought to my attention that there have been serious problems where readings have been above the criteria set by government agencies for acceptable levels. I find that people today who want to get rid of these homes face a cost of anywhere from \$10,000 or \$12,000 to maybe \$15,000 for retrofitting, to tear out the inside of a house and put it back to the state it was in before the insulation was put in. But there has been no assistance by either this government or the federal government in the retrofitting.

The problem is that they came along and said, "Well, I am going to unload this place; I am going to sell it." But they cannot even sell it. If someone has to move to another area to relieve the distress and discomfort there and the risk to his health and his family's health, when that person cannot sell his property, when it cannot be put on the market, there is no value.

Surely the minister and this government should then take some initiative and lead in this area so that at least these people do not have to pay municipal taxes for the year they are going into retrofitting. I suggest that this is one way.

If they could be relieved of the municipal taxes, say \$800 or \$900, this money might at least go towards the cost of retrofitting one or two rooms or it might assist them in overcoming the severe difficulties and heavy expenditure of borrowing money at high interest rates.

I think the Ministry of Revenue has to give some relief in this area. If the property cannot be put up for sale on the open market, then it has no market value. Therefore, there should not be any assessment and there should not be any taxes—although maybe they should be payable on the land but not on the dwelling. This is an area the minister should be looking at. People need that assistance as it relates to urea formaldehyde foam insulation.

It has been suggested that this insulation is carcinogenic, that it has a certain quality that could be injurious to a person's health; and in view of that I hope the minister will move in this direction and give some of these property owners some relief by allowing them not to pay taxes or by permitting them to sell their homes. At least let them get out of it in some way.

It is a problem, it has to be resolved and I hope this minister will move to give those people some relief.

Hon. Mr. Ashe: Mr. Chairman, this ministry and this government give every consideration to all ratepayers vis-à-vis the value or the perceived value of their property. If they disagree with the valuation of that property, they all have the same recourse, namely, to file an appeal when they receive their assessment notices and to make representations to the assessment review court. That is the process.

I think the honourable member has tried to make the issue somewhat remote from the magnitude of the problem that is before us. There is no doubt that the marketplace has highlighted the issue more than it should have, perhaps because of the media or because of the representations from various people. As a matter of fact, my colleague the Minister of Health (Mr. Timbrell) made that exact point to one of the honourable members of the third party just last week, that sometimes we can become a little hysterical and cause a little hysteria by taking a particular issue out of context.

From many of the facts and figures I have seen on this issue to date—and I think this is the key point—I frankly think it is very difficult to put oneself in the assessor's shoes. As members undoubtedly are well aware, the honourable member who is my critic in the New Democratic Party has been in those shoes. I am sure he will say in all honesty, and we know he is an honourable member in that regard, that when the assessor is going up and down in his neighbourhood he does not know who has that type of insulation.

Mr. Newman: Why doesn't he ask?

Hon. Mr. Ashe: The honourable member opposite wants to know why he does not ask. Of course, they are not really geared to do a door-to-door survey on any particular issue. We might find it desirable to do surveys from time to time on issues that this government finds appropriate, but I am not sure this is one of them.

8:10 p.m.

The next thing is that the whole basis of assessment is really the question of what is the market value. I know the honourable member mentioned that in his view there is no value. I suggest that this position is a little extreme. I will be very kind and leave it at that.

We all know everything has a price: everything has a buyer and everything has a seller.

Mr. Nixon: Not everything.

Hon. Mr. Ashe: Practically everything. We all know this issue is not easy. How do we arrive at this fair market value? There is no doubt that the home owners, whether they have a problem or not, have a view of how much their property has depreciated, but I suggest that, without actual market data, we really do not know this issue. I think it is more than fair to suggest that the actual way to come to some equitable value is to leave it to the third party to adjudicate the matter, in this case the assessment review court.

Do not forget the assessor is there. He is there on behalf of the government of Ontario but, most important, he is also there to maintain an equitable tax base on behalf of the municipalities to which we are in turn delivering a service. We do not benefit, as the member is well aware, from his function. In this context, his assessment does not directly generate any revenue to Ontario.

Mr. Nixon: It means the government can cut back on its grants. How else can the minister explain high local taxes and low grants?

Hon. Mr. Ashe: It is for the municipalities that are involved, that is true; but we benefit everybody. It is just a matter of whether we give them a big grant or a bigger grant to help operate the municipalities in this province. That is subsidized to some degree by the property tax, which is based on the assessment placed by the assessor. But it is an extremely difficult issue.

As the honourable member is aware, and there have been discussions in this Legislature in the past relating to the magnitude of the problem, there is no doubt where the responsibility for this issue lies. Once again, my friend knows what my answer is; it is with his federal colleagues in Ottawa. It was the federal government that approved and encouraged the use of this form of insulation.

I might suggest to the honourable member that the Ontario Building Code was never amended to recognize this form of insulation. Immediately, when we started testing, we saw there might be a problem. It was while this testing process was going on that the federal

government, lo and behold, became aware there was a problem and put on the ban which we have supported and still support.

Having said all that, knowing where the responsibility lies, I think some of the ratepayers out there know exactly where it lies as well. As the honourable member is probably quite aware, there are three families jointly taking action against Canada Mortgage and Housing Corporation, an arm of the federal government in Ottawa, the urea formaldehyde foam makers and the suppliers. The amount of their claim is \$1.1 million. This joint action was reported fairly recently in a Sunday edition of a newspaper that has different kinds of talents displayed on a daily basis and is known as the Toronto Sun.

Mr. Laughren: Ring the gong. You're out to lunch, George. That has nothing to do with assessment.

Hon. Mr. Ashe: It has exactly to do with assessment. The whole point, whether or not my friend recognizes it, and I think his colleague behind will agree to a different degree, is how one arrives at this changed assessment. We are quite prepared to assist, and will be assisting wherever possible, home owners who have a problem in this regard. I have already given instruction vis-à-vis the operation of our open houses this fall. There is no doubt if they can come forward with proof of a change in value—

Mr. Swart: You are supposed to assess at market value.

Hon. Mr. Ashe: What is market value?

Mr. Laughren: It's zero.

Hon. Mr. Ashe: It is not zero, and the member knows it.

Mr. Laughren: It's damned close to it.

Hon. Mr. Ashe: It is not, and that is exactly the issue; the value is somewhere between here, which is zero, and here, which is the perceived full market value at any given point of time. This is exactly what is happening and why I think the disinterested third party, the assessment review court, is the reasonable and rational adjudicator of this problem.

But again I want to give the honourable members the information that, as we talked about in my opening remarks yesterday, we will have more open houses this fall than ever before. The accessibility to the assessor and the open house process will be greater than ever before. We will assist any ratepayers, any home owners who have this problem, by advising

them what the appeal procedure is all about. Of course, if they can come forward with a bona fide indication of a change in their market value, we will be happy to accommodate them.

I know some honourable members will say this is not relevant, but let us not kid ourselves; let us think back to not long ago when a relatively comparable but not exactly comparable issue was aluminum wiring. I think members will agree, and most members who want to have a rational, practical and realistic approach to that problem will recognize, that there were some problems, which ended up being relatively small in relation to the total. If there was a poor installation, if the connectors were not right in their utilization, there was a problem in a home. The problem was resolved. I suggest that there is virtually no change in the market value of those homes now as compared to any other homes.

Mr. Nixon: How about houses built near the Pickering reactor?

Hon. Mr. Ashe: Those have been enhanced in value over the years; I can assure the honourable member of that. If he wants to come out with a potful of money, I will even consider an offer on my house, but not for the reason he is thinking; it is because I would want to move once again closer to the reactor, knowing the safety and the cleanliness of that means of generating electricity in this province.

But we are getting a little off the subject, Mr. Chairman. I want to apologize, but I think you will agree that I was led astray by one of the honourable members opposite.

In any event, on this particular issue there is no resolution that I would suggest would be considered fair and equitable. The percentage of the problem, as derived by the testing so far by the Ministry of Health, would indicate it is quite narrow. I am quite sure the federal government at some point in time will recognize its obligation and correct the problem. As I think we have indicated before, we are quite happy to be a party towards correcting those inequities, but we do not accept or think we should be accepting the primary responsibility in this regard.

The Minister of Health recognizes the health potential, and that is why I understand we have done about 10 times the amount of testing the federal government has done; and we are just one jurisdiction, although we are the major jurisdiction within this great country of ours. We are just one jurisdiction, but we have done it to a great degree.

Getting back to the honourable member's point, I do not think there is any way it will be satisfactorily dealt with. Keep in mind that it is our responsibility, and I want to stress this, to maintain the integrity of the tax base of a municipality. I suggest to the member that if we followed his suggestion to go around, even if we could identify these homes that have urea formaldehyde foam insulation and reduced their assessment to zero, at least for a limited time period, we would have an awful lot of unhappy ratepayers and municipal councillors on our backs for not taking our responsibility to defend, in a proper and appropriate way, the tax base. That is really our responsibility.

The adjudication system and procedure are already there when there is a difference of opinion as to value. I know it is safe to say, and I will even acknowledge it, that during this period of hysteria, there is surely an imputed change in value on the market place, but what is it? That is the question: What is it?

8:20 p.m.

Mr. Charlton: Mr. Chairman, I suppose I should start out by warning the minister that the member for Welland-Thorold (Mr. Swart) just went up to his office to get some files. He will be up on this in a minute.

I will start out by saying I agree with the minister that the value quite clearly is not zero. Even if the building has absolutely no value, there is obviously still land value there. That is not the point we are talking about here. But the minister is not exactly right on target either, because we are not looking for some kind of value between zero and market value. We are looking for the market value of a property with urea formaldehyde foam insulation in a particular community.

The effect of the scare, as the minister puts it, will be somewhat different in different areas and to different people. I agree with the minister that in the initial stages there are some problems in finding an accurate estimation of what the market value may be in any given community. Initially, some of the precedents may have to be set in the appeal process.

On the other hand, the ministry and the assessment branch have a responsibility, as my colleague shouted out earlier, in determining the market value for next year and the year after. There will be sales. They may not be fully open market sales because people may not be able to sell their homes easily on the open market for what they feel they should be getting for them. That is an indication of the loss in

value. There will be sales, though, because we know that if people are running away from their homes, which some have already—and I do not have any numbers from the top of my head—there will be real estate firms and speculators who will buy up those homes.

What the minister has to understand is that in the assessment division, one of the things that normally happens when assessors do analyses of property sales—and let us just stick for a moment to residential properties—is that when they see a sale out of whack with the norm in that community, they may investigate the sale and try to find out why it was so far out of the norm. It may have been a divorce and a forced sale, or an estate sale. But ultimately that sale, which is way out of whack with the rest of the community's sales, gets discarded. It does not get used in the analysis, because it does not really represent a true market value.

When we get situations like this with urea formaldehyde, where there is a specific public consciousness, even if it is a hysteria that is exaggerated, it is going to affect the way in which the market reacts to that particular home. The minister understands that and he has admitted that. Assessors will have to start identifying some of those sales that are way out of whack as not really being way out of whack. They are in fact market sales. Instead of reflecting a divorce, where there is a forced sale, or an estate sale or whatever, they may reflect the sale of a home with urea formaldehyde foam insulation.

I understand the problem the ministry will have in identifying the homes that have urea formaldehyde in them. On the other hand, if this issue continues to grow as I think it probably will, they will have people sending in assessment appeal notices with that very fact written on the back. They will have people coming into the office, saying: "Look, I have had my house up for sale. It has urea in it, and I can't sell the damned thing. Don't you think the assessment is a little too high?"

Most of those homes will be identified over the course of the next year or so. This ministry has a responsibility to start looking at some analyses in the marketplace in relation to these homes. I agree that in the initial round it will have to be done through the appeal process. But the ministry will have to look for the data that will begin to emerge. At some point, the appeal process has to end and the ministry has to be prepared to start making adjustments on the regular roll for the next year.

It may not happen this fall for the 1982 tax roll, because there may not be enough data yet, but if this whole thing keeps up—and I think in part this is what members are getting at—an analysis will have to be done over the course of the next year so that for the 1983 tax rolls there actually will be adjustments made and people will not be forced to go through the appeal process to accomplish whatever reduction is legitimately of record.

The government chose to go to the market value system. The government wrote it into the act. The government is going to have to make it work, and not just in the case of urea formaldehyde, because we have run into a number of other problems in the appeal process in the assessment division in the last number of years.

Before I get into a little bit of a rant here, I want to pay some credit and some compliment to the minister's assistant deputy minister. In contacts I have had with him during the last year or so, he has been very helpful when I have run into some roadblocks in the appeal process.

But one thing that is not effectively happening—and this is why I am raising this now—is that assessment offices across the province are not effectively keeping on top of the changes in the marketplace. We all understand that assessments are based on the 1975 base market value. But the reality is that section 86 of the act, and everything else one works with, says that although one is using a 1975 date, the assessment returned in 1980, 1981 or 1982 has to reflect the current market reality based on a 1975 base.

One thing that is not effectively happening in the assessment branch right now, although it is starting to happen more and more because of pressures in the court system, is that the assessment offices are not keeping on top of changes from the norm.

Those of us who understand the market value system know that because an entire area of the province went down in value after 1975, we are not going to run out and reduce everything in that municipality simply because everything went down. That we are still assessed on the same basis does not make any difference.

But when there is an economic change in a neighbourhood, a community or a portion of a municipality in relation to the rest of that municipality—because of urea formaldehyde, because a big industrial plant went in belching smoke all over the neighbourhood, or whatever the case happens to be—it is the ministry's responsibility to do the analysis, to find out the

changes that have occurred in relation to the rest of the marketplace and to make those changes in the ensuing year.

We do not expect the minister to run out and change what he has already done for that year. In fact, we know it is not legally upfront to do that. But he has a responsibility to take available data and use it. There is going to be a tendency to try to avoid identifying a new assessment division, because it means a lot of extra work.

But assessors are going to have to look for that information in terms of those out-of-whack sales they would probably normally discard because they are so out of whack. They are going to have to go into the field and find out if such a sale was a forced sale because of a divorce, and that is why it was so low, or whether urea formaldehyde was involved, then take that sale and use it as a part of an analysis of how much those property values have dropped in relation to similar properties that do not have it.

Hon. Mr. Ashe: Mr. Chairman, I appreciate the very valid and very realistic comments made by the member for Hamilton Mountain, somebody who has been there and really knows what he is talking about.

I can assure him and the other honourable members in here that the assessors and the various assessment offices are going to be very much aware of what he calls distress type of sales and build up data from them, as he has quite correctly identified.

Frankly, we are not aware yet of even a small base of sales of urea formaldehyde foam insulation homes. In fact, we have none on which to base any statistical information. But I agree with him in hoping that many of these issues will start to evolve over the coming year. We may very well get some pattern of sales that will give us an indication of a change from the previous norm market value. I hope there may be some resolution of the problem and some indication of the cost of rectifying the problem in its various manifestations throughout the system.

8:30 p.m.

I hope that a year from now we will have a more satisfactory answer than we do now. But, frankly, we do not have any indication of the extent of the problem and its impact on market value. We do not really know; it is all supposition. I would even suggest to members that there are probably many people who have urea formaldehyde foam insulation who do not even know it; they have not had any problem in their

homes so they have never taken it upon themselves to find out what kind of insulation they have. In fact, in many cases there is no problem at all.

I think we would be derelict in our duty on behalf of the municipalities to maintain a reasonable, reliable and responsible tax base on which they base their mill rate and, ultimately, their property tax revenues if we were to try to find out where these homes are and automatically change their assessments.

Mr. Haggerty: Would the minister buy a place with urea formaldehyde foam insulation in it? Would he buy a place if he were forewarned that it was in there?

Hon. Mr. Ashe: It would be one of the factors that you would consider, just like many others; sure it would. I would not buy a house built on top of a swimming pool that had a two-by-four holding it up either; but if we put that in the context of the other problems, the other amenities and the other pluses and minuses, everything has a value.

The other issue that was raised by the honourable member, and I appreciate that it ties right in, is that of the relative and changing values, particularly in relation to the section 86 reassessment program. As he knows, pretty well all of the assessments are based on either 1975 or 1978 values. Keep in mind that in the year in which this is done, and even this year, for example, when we did section 86s with the 1978 value in 1981, the assessor appreciated and updated that value using the 1978 base to the realities of 1981.

The problem, as we are all aware, and the member opposite more so than anybody else in here, is that if we do not keep that base fairly up to date over a reasonable period of time, then three, four, five, eight or 10 years from now we will not have solved the problem at all; we will be back to exactly where we were before, if not even further behind. That is why this ministry has encouraged municipalities, even those who have gone section 86, to agree to update their assessments. Many have done that in the past, but particularly this year, and we hope that a great number of them will take advantage next year of their new base year of 1980 for 1982 assessments and 1983 taxation.

As I am quite sure the member is already aware, we did announce this past summer that we are going to go on a regular four-year cycle so everybody knows when the new base year will be; the various assessment offices will be

able to govern their activities accordingly to update a quarter of their responsibilities each year.

I hope we are making strides. It is not an absolute solution, as the member well knows; it is only part of the overall solution to property tax reform. But I think it is a step in the right direction. It does require the continuing support of the municipalities, and we are getting great support in this regard. For example, it appears that approximately another 100 municipalities, plus or minus a few, will be accepting 1981 reassessment for 1982 taxation based on various base years—there is still the odd one, I guess, in 1975, but most are in 1978—and a great number of municipalities have already made a commitment to reassessment with a 1980 base in 1982 for 1983 taxation.

I definitely agree with the member that, regardless of what other changes may come to pass in the years ahead, the main key to continuing to make our whole property tax system fairer and more equitable is to keep a reasonably up-to-date recognition of market value. I can assure all members this is one of the ongoing goals of this ministry.

Mr. Swart: Mr. Chairman, I confess I did not know at what stage the estimates were when I came into the House to do my duty. I found an item being discussed, about which I have a rather in-depth involvement and very serious concern—that of the home owners with urea formaldehyde foam insulation in their homes.

The minister likes to put blame for this on the federal government. I am sure he knows I have repeatedly said the prime responsibility for the fact that some homes have urea formaldehyde foam insulation—80 per cent of which, installers estimate, was put in illegally—rests with the federal government because it approved the insulation under the Hazardous Products Act. Central Mortgage and Housing Corporation also approved it and promoted it under the Canadian home insulation program. However, that is not the issue before us here tonight. Even if it were, the minister must admit the provincial government was exceedingly negligent in its responsibilities as well.

We had a very substantial discussion in regard to this matter in the estimates of the Ministry of Consumer and Commercial Relations the other day. In those discussions, the deputy minister quite frankly admitted the Ontario government could have amended its building code to prevent this material from being used within the province. There were all kinds of warnings from

the National Research Council and from elsewhere that urea formaldehyde foam was dangerous and was in fact a very poor insulation.

There is no question this government was negligent because it did not put anything in the building code nor in the Municipal Act, whereby the installers would have had to get a building permit or would have had to be licensed. The deputy minister also admitted the ministry had the power to do that. That is the responsibility of the provincial government and it opted out. It is a bit silly to say now that all the responsibility rests with the federal government.

Whose responsibility it is, is not the issue before this House tonight, nor is it the issue before the Minister of Revenue. I am sure he knows that. He is just taking an evasive action here to evade the real issue we have before us, which is, the correct assessment of homes that contain the urea formaldehyde foam insulation.

I was rather pleased to hear the minister make the statement—I wrote it down—that my colleague the member for Hamilton Mountain (Mr. Charlton) knows what he is talking about. If the minister listened to what that member said, he knows he put the responsibility clearly on the assessment branch of the ministry to determine the appropriate assessment for homes that have urea formaldehyde foam insulation.

Hon. Mr. Ashe: You were not listening.

Mr. Swart: I listened very carefully and I suggest the minister read Hansard after it comes out. He will find out that is exactly what the member said to him.

Hon. Mr. Ashe: You read Hansard.

8:40 p.m.

Mr. Swart: It is the Ministry of Revenue through the assessment branch that has the responsibility for setting the proper assessment on real estate in this province. There is no question about that. The court of revision has the responsibility. Incidentally, as a member of the court of revision for a number of years, I am a little familiar with how it works, although it has been changed somewhat. However, the principles behind it have not changed at all.

That court hears the argument from both sides. If somebody thinks he has been improperly assessed, it tries to determine from the argument what a fair assessment is for that property. The act puts the responsibility on the ministry to set the assessment at market value. In practically all other areas, the ministry does it.

If, during the course of a year, someone puts

brick veneer on a property to increase the value, your assessors pick that up and add the value to it. On the other hand, if part of the house is torn down, if a section is torn off the back or perhaps a section is burned, the assessors make that adjustment before the roll is closed. There is no getting out from under it: your ministry has the responsibility to set the assessment, as accurately as it can be done, on those properties compared to other properties in the community. When one goes to an assessment court, when a decision is made there, the member of that court hears evidence from the two sides. He hears evidence from the person who has appealed his assessment and then he turns to the assessor and says: "What have you to say about this? What do you recommend?" The assessor has to have made a full investigation to substantiate his case that it should or should not be reduced and by how much it should be reduced. He has the obligation. Your ministry has the obligation to see that is done long before it comes to court. That should be done before the roll is closed.

It is opting out of your responsibilities to say that somehow or other the court should make this determination when the assessors have known well in advance, since last spring, that homes with urea formaldehyde foam insulation have a much lower value than they had before it was put in, and lower than homes with some other form of insulation. There is no question about it. I am sure the minister would not attempt to deny that.

I am appalled by his statement, "We are not reducing the assessment because we do not know how much to reduce it by." In effect, he has told this House: "There are no sales on it so we do not know how much we should reduce it. We are leaving it where it is." What a cop-out it is to take that attitude.

We know why there are no sales on it. The property will not sell at the present time. It might sell at a certain value. I agree with my colleague the member for Hamilton Mountain that there is some residual value to the property. It is generally assumed, and if you checked with Massachusetts you would find this out, the value of the home is worth the original market value less the cost of taking out the urea formaldehyde foam insulation. On a \$75,000 home, on average it will cost about \$25,000 to take it out.

You should be checking with the real estate people across this province, you should be checking with the independent assessors across this province and you should be checking with their own assessment branch to determine how

much the devaluation of the property should be for assessment purposes. Instead of that you say, "We do not know how much it should be reduced, so we are not going to reduce it at all."

These people who have urea formaldehyde foam insulation in their homes are suffering. They are not only suffering health problems, they are suffering a tremendous depreciation in the value of their homes. Now you are adding insult to injury by refusing to reduce the assessment value of their property. I say to you, Mr. Minister, that is a cruel and heartless practice you are indulging in. I say that advisedly. Don't smile; it is. If you owned one of those homes, if you knew what some of those people are suffering, perhaps you would take a little different attitude than you have done with regard to it.

You have not only neglected to reduce the assessed value, but I suggest you have also broken your own act in not attempting to search out the homes that have urea formaldehyde foam. It is now at least six months since you knew of the reduced value, in fact it is about seven months. I ask the minister when he gets up to state whether he has sent a questionnaire to home owners, whether he has taken any steps whatsoever to identify the homes with UFFI, so that if the courts across the province decide, because he is not going to do anything, that there should be a 25 per cent reduction, he will know where to apply it. You have not taken a single, solitary step. You will not know where to apply it and you won't apply it.

The only people who are going to get a reduction are the ones who have actually appealed it. Surely you must know that the home owners will incur substantial costs if they have to appeal their assessment. Many of them, first of all, will have to take a day off work. Second, many of them do not know the procedures of the court of revision. Therefore, they will go and hire a lawyer, or more likely they will say to themselves, "I really do not think it is worth the cost in any event," and they won't appeal it, or if they do appeal it they won't show up at the court of revision hearing. It is delayed to the extent that they won't get the reduction, as they should be getting it now in their assessment.

So, Mr. Minister, I quite frankly accuse you in this House of breaking your own legislation by not reducing the assessment on these properties, and giving cruel and heartless treatment to a group of people, some 30,000 home owners in

this province, who are suffering intensely, both in health and in depreciation of their homes. You are sitting heartlessly by and doing nothing.

Hon. Mr. Ashe: Mr. Chairman, the honourable member made the odd relevant point. I would suggest most of his dissertation was so irrelevant that he scared away his honourable colleague who sits just behind him, the member for Hamilton Mountain, who we both acknowledge is rather knowledgeable on the issue, having been there himself. He scared him away. Even that member got tired of listening to the diatribe that was being carried on.

Let me touch on a few of the issues that were raised. The member indicates the real issue is the correct assessment. As I acknowledged before, we do not disagree with that. If he had been listening to his colleague, as I was, he would know—and if not, I hope the member will find out by reading Hansard tomorrow—that we did agree one of the problems right now is what market value is. Until some data base is built up, based on a reasonable number of sales, we do not really know.

There is a full spectrum of perceived values, or reduction of values, until that happens. I did acknowledge, as I think he did, that a year from now we may have some better understanding of the magnitude or otherwise of the problem, the cost of correcting the problem, and any relative market value reduction that has taken place or will take place. To go out, as he suggests, to try to upset the umpteen thousands of people he referred to when it would affect a very small percentage who probably actually have a problem is typical of responses from that member.

8:50 p.m.

He is the type who brings in a bag of foam and tries to create hysteria throughout this province and multiplies the problem tenfold over what it actually is. I realize that is the thrust of this member, and if he thinks he does justice to the people of this province with that kind of a tirade, he does not, Mr. Chairman; he does not at all. He does a disservice to the people we mutually represent.

Mr. Cooke: Typical Tory insensitivity.

Mr. Wildman: You are telling us there is no problem?

Hon. Mr. Ashe: It sounds as if we have a chorus in here, Mr. Chairman.

Mr. Chairman: Go on, Mr. Minister.

Hon. Mr. Ashe: Thank you, Mr. Chairman. It is true we have a responsibility to maintain an

equitable tax base for the municipalities. That is what we have attempted to do. Part of that responsibility is coming up with something reasonable and defensible.

I stated it before and I reiterate it now that on this particular issue, whenever we become aware of this issue for a ratepayer, we are going to assist him and let him know the kinds of questions he will have to bring forward to the assessment review court, the kinds of issues that will be raised and what he should bring forward to make his case. I do not know what more we can do to be helpful and co-operative. We will be doing that. We will instruct our assessors to co-operate and assist at the open house process that will start fairly shortly.

To suggest, of course, that this is a cop-out is utterly ludicrous. That is not the case at all. We have a responsibility. It is fine for those people who do not have a responsibility for the ratepayers, and that includes the ratepapers who presumably do not have a problem. It is all part of our responsibility to maintain the equity in the system. We are going to be, we have been and we will continue to be part of the process of maintaining equity throughout.

Mr. Mancini: Mr. Chairman, I have a rather lengthy, serious matter that I wish to bring to the minister's attention. As most of us know, the debate of the estimates really does not end up being a debate of the estimates or actual government expenditures, because by the time we get around to debate its expenditures, the money has been long spent. Members find these debates a good opportunity to bring to the attention of the House and to the minister some very glaring problems in the programs the government has put in place for the people of Ontario.

This problem is quite detailed. I will take the opportunity to read some correspondence to the minister and to the members of the House so they actually understand the severity of the problem.

Back in December 1980, I received a letter from the Canard Valley golf club. It read as follows:

"Dear Mr. Mancini: This is further to our meeting and your recent telephone call regarding the excessive property and business taxes that Canard Valley golf course has had to bear for the past 12 years. Enclosed please find a comparison," and this is very important, Mr. Chairman, "of golf property assessments for 1978 for nine golf courses in the county," meaning Essex county. "Also included is a map

showing where these golf properties are located," and so on. The gentleman goes on further to ask if I could be of assistance in this problem.

Mr. Piché: Are you a member?

Mr. Mancini: Wait until you hear this. I want to say to the member for Cochrane North, wait until you hear of the injustice that is being perpetrated on this small businessman whom you are supposed to have some affinity with. Just wait and listen for a minute.

This small businessman, as I mentioned before, is the proprietor of the Canard Valley golf and country club. Under the charts for the comparison of golf property assessments for 1978, he owns the following: 152 acres, for which the total assessment for land and buildings is \$559,000. His total property taxes are \$20,894 and his total business tax is \$5,519, for total taxes of \$26,413.

Let us compare Canard Valley to the other golf courses in Essex county. Let us take, for example, Bellevue Golf Club, which is situated in Gosfield North township. Like Canard Valley, it is an 18-hole golf course. They have 155 acres, three acres more than Canard Valley. Their buildings are assessed at only \$18,000. Their total property taxes are \$4,600 and the business tax is \$765, which is \$19,000 less than Canard Valley.

Let us take the prestigious Kingsville Golf and Curling Club in the township of Gosfield South. It has 27 holes and 221 acres. It has a huge curling rink and all kinds of facilities for its members. It is first class all the way. Their total assessment for land and buildings is \$50,000 which is \$500,000 less than Canard Valley. Their total property taxes are \$8,800. The total business tax is \$2,500. The total taxes are \$11,000, less than 40 per cent of what Canard Valley pays.

Anyone who knows the county of Essex at all knows that the township of Anderdon, where Canard Valley is situated, and the Gosfield South township, where the Kingsville Golf and Curling Club is situated, are quite similar and the property taxes for homes of a similar nature are almost identical. Therefore, that would lead one to conclude that golf courses would be treated in the same way. That would lead one to conclude, if they could not be treated equally, that the discrepancy would be minor—not 60 per cent, not almost \$15,000. That is incredible. I could mention the huge differential between Canard Valley and the other golf courses, but I think I have made my point.

Anyway, I met with Mr. Walter Kulyk, a small

businessman who owns the Canard Valley golf and country club. He sent me the letter and I sent correspondence to the minister. What did I get from the minister?

Mr. Roy: Was it this minister here?

Mr. Mancini: No, Mr. Maeck was the minister at the time, but the deputy minister was—

Mr. Bradley: Good man. Whatever happened to Lorne?

Mr. Mancini: Yes, I wish we had Lorne Maeck.

Mr. Roy: He was a lot more sympathetic.

Mr. Mancini: He certainly was.

I also corresponded with the deputy minister, Mr. T. M. Russell.

9 p.m.

Mr. Piché: I hope you can prove all this.

Mr. Mancini: It's all right here.

Mr. Roy: Send him photocopies.

Mr. Mancini: I am going to. I am going to send photocopies to the member for Cochrane North (Mr. Piché).

I did receive a letter from the ministry dated January 22, 1981, nearly a three-page letter outlining all the details as to why this man's property was being taxed so highly, but no solutions to the problem, no answers whatsoever. Not being happy with the letter, I directed a further letter myself dated March 31, 1981, right after I was re-elected.

Mr. Roy: Give us the details. How many votes?

Mr. Mancini: It was about 5,600 votes this time.

On March 31, I directed a letter to Mr. T. M. Russell, the Deputy Minister of Revenue, and I stated as follows:

"In view of the minister's retirement from active politics, I write to you concerning his reply of January 22, 1981, to my letter of December 10, 1980, copies enclosed.

"I wish to inform you that I am not very satisfied with the explanation given in the January 22 letter. There is no explanation given as to why Canard Valley continues to pay significantly higher property taxes than do other golf courses in the vicinity. There is no explanation as to why his assessment is significantly higher than the other golf courses in the area. There is no way that Canard Valley golf and country club"—which I know and have visited—"has property and buildings worth more than the Kingsville Golf and Curling Club, yet their assessments differ greatly.

"I would like to propose a meeting between your senior officials, myself and Mr. Kulyk"—who is the owner of Canard Valley—"at the earliest opportunity in order to review this matter," et cetera.

I did receive a reply from Mr. Russell stating that his officials were going to initiate a market value study of all the golf courses in Essex county. As soon as the study was complete, we were going to have a meeting and we would try to iron this out. I don't know if the study was ever completed.

I do know that on June 9 I had a meeting in my office with Mr. Earl Winter, who is the director of the special properties branch in the Ministry of Revenue, and Mr. E. V. Moxley, the regional commissioner, Essex regional office. We met and I had an opportunity to talk at length with these two fine gentlemen. They were very agreeable, of course. They were very nice, they represented the ministry in a nice way, and we had a very comfortable meeting, that much I can say. But the crux of the matter, the problem, did not get resolved.

I was told to write to Mr. Kulyk and inform him that under section 63(6)(a) of the Municipal Act there is a provision for any municipality to give property tax relief on a one-year basis. I was further told to inform Mr. Kulyk that under section 86 of the Assessment Act the municipality can ask that the whole municipality be reassessed. I am not sure if that is what we want to do. I did pass that information on to Mr. Kulyk, but he was not satisfied and neither am I.

The people working in the regional assessment office of Windsor should know the county of Essex better than I. They should know the type of property and buildings and they should know in their own minds the comparisons between one municipality and another of a similar nature. We can all understand a small discrepancy of a few hundred dollars or perhaps \$1,000 or \$2,000, but to suggest that one golf course in Essex county be assessed for a total of \$559,000 and that the next highest assessment for a golf course be \$50,000, a full \$500,000 less—I tell the member for Cochrane North, that it is completely unreasonable and unsound. I do not care what system he used to work this out.

When the ministry tells Mr. Kulyk he has to pay \$26,000 a year in taxes, when the plush golf course and curling club he competes with 15 miles down the road is paying \$15,000 a year less, it means that whatever system the ministry has over there to figure out assessments is

completely wrong and unjust. I would suggest with deep sincerity that the minister and his senior officials should look into this matter—not with the idea of sending me a three-page letter to see if they can get Mancini off their backs—but with the idea of equity and fairness for this small businessman who has to compete and cannot charge a penny more for the use of his golf course than his competitors down the road.

I think the situation is unjust. It has been allowed to go on for too long and I welcome this opportunity to raise it in the Legislature.

Mr. Chairman: Just before the minister replies; I did not want to interrupt the member. We are reminding all our colleagues and for the benefit of the people in the gallery—I think it is always refreshing to know—that we are in committee of supply. We are doing the estimates of the Minister of Revenue. Might I also add that the honourable members on my immediate left are just a little bit too loud and the chair is having difficulty listening to those members participating in the debate. With that in mind, I know the member for St. Catharines (Mr. Bradley), the honourable minister, and—

Mr. Nixon: Whatsisname?

Hon. Mr. Bennett: He is not here often enough for us to know.

Mr. Chairman: —will refrain from being noisy. In seriousness, if you can keep the conversation down a little, we would appreciate it.

Hon. Mr. Ashe: Mr. Chairman, it is nice to know that all of the business around Ottawa and the two-day-a-week member are being resolved on the one night he is here.

Mr. Chairman: Let us not be provocative.

Hon. Mr. Ashe: I would never be provocative, Mr. Chairman. You would know that.

Mr. Roy: Mr. Chairman, ask the minister not to be provocative.

Hon. Mr. Ashe: I would never be provocative and I think all honourable members would recognize that.

Getting back to golf courses, it sounds like a very nice thing. It would be a little cold tonight. The ball would be hard to see and I am afraid that it would bounce in a rather difficult fashion because of the frozen earth.

Really, the problem brought forth by the member is a legitimate one, but let me put the problem into the perspective of how it can be resolved and maybe even where it started.

Back in the days before the provincial gov-

ernment took over the assessment function, the Canard Valley golf course was located in a municipality that was reassessed prior to 1970. It put that golf course and the whole township on a different footing from an assessment perspective to the other municipalities the member was comparing it to. That is where the problem originated.

How can the problem be resolved? Let me first say, I think it is very important to note that the particular assessment that has been raised has been appealed all the way along. I think you would agree with this. It has been appealed to the assessment review court right through to the Ontario Municipal Board, and the assessment placed on it has been sustained.

So vis-à-vis properties within that municipality—and I think this is the key item—the comparisons are justified. His comparison goes awry because he is comparing golf courses, although—and I cannot debate this; I am sure he knows what he is talking about because it is in his own area—the other golf courses are in other municipalities with different assessment bases. He is comparing apples to oranges.

9:10 p.m.

There are two answers to the problem. I think he referred to them in a piece of correspondence, and I suggest to him and to the people involved that they take some guidance and advice from that letter because that is where the answer lies. The number one point is to suggest to the municipality—and we would never do that—that they might consider a section 86 reassessment, particularly in the county of Essex, so that everybody would be on an equal basis and an equal footing, property for property.

I suggest there would be much more equality among the golf courses as among other types of properties. I acknowledge that this may not be acceptable; various municipalities are involved here, various politicians are involved, and it will involve a lot of deliberations and a lot of soul-searching as to the equities they may want to put into place.

The other possibility, of course, is to approach the municipality, make his case in front of the elected council, and suggest that he is being treated unfairly and is not in fair competition with the surrounding municipalities. They have the power within the Municipal Act, if he feels there is some particular situation which would substantiate his case, to actually change his taxes even in the current tax year. I am not talking about changing them for the next year or

the year after. Granted, he will have to do that annually unless some of the other resolutions take place. So that is the second.

Actually, there is even a third solution. Although this particular one does not appeal to me personally, it has appealed to many of the golf courses within the jurisdiction of Metropolitan Toronto, particularly in North York. They approach their town council—in this case under the authority of the Assessment Act—and ask for a fixed assessment. In that event, they come to a meeting of minds on what is felt to be a reasonable amount of dollars and cents that the commercial enterprise can pay to the municipality each year for the services that are supplied. The difference between the fair market value and the generated tax rate becomes an obligation, a debt, on that particular property which is accrued by the treasurer of that municipality but which does not become due and payable until the property is sold and, in fact, usually because the land use has changed.

So there are three answers to the problem. I think we have established through the appeal process that within this particular township the assessment is fair, equitable and defensible and that it has gone through the various appeal processes. I am not disagreeing with the inequities that he has put forth in comparing the apples and oranges. I realize this businessman, from his point of view, does not appreciate that it is apples and oranges in a municipality context within the different assessment bases, within the different tax rates. He is thinking as a businessman, and quite rightly; that is the way he should think.

There are avenues for taking care of this differential, and I sincerely hope that with the advice and assistance of the honourable member opposite he will take one or more of these options and solve the problem.

Mr. Chairman: It is my understanding that the member for Essex South has yet to exhaust his inquiries. Is that correct?

Mr. Mancini: Mr. Chairman, I just would like to say that—

Mr. Chairman: Before you say anything, I am having difficulty with your colleagues on your immediate right.

Mr. Mancini: I do not object to it, Mr. Chairman.

Mr. Chairman: Do you not object?

Mr. Mancini: No, I do not object.

Mr. Chairman: It would be a little loud for me, and I cannot hear what you are saying.

Mr. Mancini: I will speak a little louder.

Mr. Chairman: Thank you. The minister is looking for free legal advice. I can see what he is doing here. I wish they could go out the back, have a coffee and arrange things back there. Why are you doing this?

Interjections.

Mr. Chairman: Can you show a little bit of respect to the chair? Seriously.

Mr. Mancini: Mr. Chairman, I had hoped that by bringing this matter to the attention of the minister and his senior officials here in these debates we would get a more positive and useful reaction. I have already gone over the three points the honourable minister has mentioned with his civil servants. I found them not to be the answer to this gentleman's problem. I am sure he concurs with me. I will only say I can recall when the minister first came into the House, he came with a small pro-business bias.

Interjection.

Mr. Mancini: Small pro-business bias, what is wrong with that? There is nothing wrong with that, to be in favour of small business and doing things to help small business. Now, after having sat in the House for a number of years and after having become a minister of the crown, instead of trying to change the laws that have created this type of bureaucratic mess, he gives us a pro-bureaucratic and—how can I say it?

After a party has been in office for 40 years, they think “Well, we will just go along until after the next election and these problems will be forgotten.” He has gone from being a man in favour of small business, who was ready to take the bull by the horns and correct some of the bureaucratic problems that affect small business, and now he is a minister, who is pro-bureaucratic problems, who is pro the bureaucrats, who is not ready to demand of his civil servants that they look into this problem and find out what has to be changed in the act or regulations to solve an outrageous situation.

He has given me three nonanswers, three nonstarters. I completely reject the answer the minister has given me. He knows darned well that was the answer given to me by the civil servants. The answer was not adequate at the time. My poor businessman will have to suffer on an ongoing basis, as he has done for the past 12 years. His property taxes will be at least \$15,000 a year higher than any other golf course in the county. That is unfair and unjust.

We have a government that has been in office for 40 years and is not prepared to do anything about it. It is a sign it has been in office too long.

When it sees a glaring problem as large as this, one that stands out like a sore thumb the way this one does, and it is not prepared to take the bull by the horns, the government has been in office too long.

Hon. Mr. Ashe: Mr. Chairman, I just want to take a minute to respond to that attack. It is irresponsible on the part of the member opposite. He should know very well I support small business, as does this government. To suggest we should break our own laws to recognize—a business is a business, and whether it is owned by a small businessman or a large corporation is irrelevant in the context of our discussion. There is no doubt there is a different problem from a financial capability point of view, but unfortunately the tax system, the assessment system is not designed and never was designed to recognize a social welfare type of program. There are other methods.

I suggest to the honourable member, that if he is not prepared to accept the suggestions given him in all good faith, both before, as he referred to, and tonight, then he really just wants to leave it as an issue to bring up to suit his convenience from time to time, and not to resolve the problem at all. It may very well be that the answer to the problem is to get a member who really wants to solve the problem in a fair and equitable way, and not use it in this kind of diatribe as this member does.

Mr. Chairman: Before I recognize the member for Downsview (Mr. Di Santo), I see other members of the official opposition. Are your inquiries of the same nature, about the golf course? I think we should have rotation here.

Mr. Nixon: I will take my turn.

Mr. Chairman: All right. The member for Downsview.

Mr. Di Santo: Mr. Chairman, disappointing as it is—

Mr. Mancini: This problem won't go away just because you ignore it.

Mr. Chairman: I know it won't. It is frustrating, but the member for Downsview has the floor.

9:20 p.m.

Mr. Di Santo: Mr. Chairman, I would like to raise a couple of issues with the minister, although I am not very optimistic he will deal with these problems. The first issue is the situation of the oil companies in North York. I have been raising this issue with the minister,

but until now he has not been able to come up with an answer which will solve the problem for the municipality of North York and its citizens.

In North York, there are four oil companies who own 117 acres of land at the corner of Finch and Keele Streets. They use that land for oil deposits. They have their tanks there. For the last 15 years they have been renting the part of their land they do not use for storage of oil for farming purposes.

The city of North York has been not able to assess them commercially for that portion of land. Therefore, the four oil companies are paying \$110,000 less than they would pay if they were assessed as a home owner or a commercial or industrial building.

Mike Foster, the alderman for Ward 5 in North York, brought the problem to the attention of the city council. Despite the initial disbelief of that incredible character who is the mayor of North York, and the bunch of Conservative members of the city, in time they had to realize that situation was untenable.

It was an open injustice because it offended all the citizens of North York—especially those who are asked to pay high property taxes. Finally, the municipal council of North York was forced to take the four oil companies to court. The judge, given the present legislation, did not find it proper to grant an injunction. In fact, the city of North York lost the case in court. Everyone realizes such a situation is scandalous.

I find it difficult to express myself because there are so many conversations going on.

Mr. Chairman: Order, for the third time.

Mr. Di Santo: I find that situation is not only scandalous but offensive and outrageous. We have a situation where thousands of citizens are burdened with property taxes that have increased enormously—not because of the so-called market value of the houses—but because of inflation on the cost of living. They are going up artificially for many reasons, and the citizens have no control over them.

We have brought this problem to the attention of the Minister of Revenue repeatedly, not to the present minister but to his predecessor.

I introduced a private member's bill, as a suggestion to the minister that he should take action. I realize that my bill was not the best avenue to solve that problem, and that omnibus legislation is not applicable in this particular case, because there are other situations that are seen from a different point of view, and should be considered differently.

I am not advocating a piece of legislation that applies to every situation in Ontario. But surely, if the minister has some sensitivity, he could understand that if he wanted to solve that situation, he could have found a device by linking the amendment to the Assessment Act, to the population, to the geography, or to another device suggested to the House. Until now the government has refused to take action and is allowing them to procrastinate on the tax scandal situation.

The minister should view this situation very seriously because the citizens in the city of North York are really upset. He must know that more than 500 citizens appealed their assessment last week, claiming they were entitled to the same treatment that the oil companies are receiving from the city of North York. They appealed on the basis that they are growing vegetables in their backyard, and therefore, their sites should be considered rural land. They know they cannot win, but they took the time to appeal because they want to prove to the government that they are not accepting that kind of injustice any longer.

The minister should think twice before procrastinating and denying justice to the residents of North York. This situation is even more outrageous because this government is unwilling to tackle the problem of property taxes. The Minister of Revenue is convinced that they will not reform the property tax system, even though it was promised repeatedly in the past that they would do so.

We remember numerous commissions, royal commissions, and investigations, that took place since the Smith committee on taxation in 1967. The Smith committee recommended a progressive form of taxation based on the value of the property and on the income of the citizen. We have been advocating that kind of reform because it makes sense. Above all, it is acceptable to the majority of citizens.

I introduced a bill in 1977 asking that lacking tax reform based on a progressive system, at least the government should exempt senior citizens from paying education taxes. It was passed unanimously, but I want to point out that, quite ironically, the only person who opposed that resolution in this House was the present Minister of Revenue and I think that—

9:30 p.m.

Hon. Mr. Ashe: It wasn't unanimous because it was opposed.

Mr. Wildman: You're proud of that.

Hon. Mr. Ashe: That's right; responsible.

Mr. Di Santo: The minister can say he is proud of it but he should have stood up when his Premier, in the so-called Brampton Charter, promised exactly the same thing. He said the portion of education taxes paid by senior citizens would be eliminated. Why did you not stand up at that time and oppose your leader? It was because it was convenient for you. It was sheer opportunism because it was before the election and of course we will not expect tax reform from this government because it has no sensitivity.

They do not know what fiscal justice means, but I want to tell the minister that if he does not look seriously at the situation of the four oil companies in North York, he is perpetuating a situation that will discredit him and his government. I hope he will give me an answer that is acceptable, not only to me, but also to the citizens of North York.

Hon. Mr. Ashe: The issue the honourable member raises is really not a new one or unique in the context of North York or in any other place in this province and therein lies the problem.

Although it seems great to think about those big, affluent oil companies avoiding taxes, to put that thing into perspective, that really is not what the problem is all about. It does highlight it and seems to be the issue, but really it is not the issue. I will try to explain a little of the problem.

I think it is fair to say I could sit on either side of this debate and make a reasonable case one way or the other. I will acknowledge that in advance. One could easily look in isolation at the North York situation and the tank farms but, unfortunately, the whole issue is not really whether the oil companies should be paying an industrial rate of tax or whether they should be getting away with part of their land under an agricultural assessment. It is not that isolated.

Throughout the province, if one looks at zoning to create the tax base, we have—we do not know precisely and I acknowledge that—somewhere between five and eight per cent of the agricultural land use in this province that has zoning other than agriculture.

That is a significant amount. We are talking in the order of 16,000 parcels of land and, in many cases, these are legitimate farms being operated by legitimate farmers. If one just changes the policy to say the tax base or the assessment should be on the basis of the zoning rather than the use, one is going to catch many thousands of legitimate farmers. That is unfair to those legitimate farmers and I think all honourable members would agree.

Let us look again at the actual, specific issue involved here. What is the true motivation? Is it really that we are concerned that oil companies are saving, it would appear, something in the area of \$100,000 in taxes which, even if we put it into perspective, is a lot of money?

Nobody will deny or belittle that. If we forget about all the other assessment within North York—and I think we would all agree that is a pretty affluent municipality, probably well above average—it means a tax impact. If the whole shift is to the residential area, it is a tax impact of an average of maybe 80 cents per month per household. I do not think a dollar a month, give or take a few cents, would really change the standard of living of the average home owner in North York.

But I do not think that is really the issue. We all argue on occasion—particularly the critics of the Minister of Agriculture and Food and the agricultural policies in this province—about the disappearance of farm land. One of the great criticisms is the amount of land being converted from farm use. In future we will probably all have to eat asphalt and concrete and bricks and mortar because we are converting all of this land to this kind of use and taking land out of useful production. If one really agrees with that concept—and I think there is some validity to it—one can go too far one way or the other. I think if one really puts some validity to it, it is important regardless of who owns that land.

I understand this land referred to as the tank farm situation in North York is being legitimately leased out to farmers who are—generally speaking—legitimate market gardeners. That is part of the answer. That is part of our food land guidelines, in the context of food production and using good farmable land in an agricultural way. That is the other side of the argument. I am not suggesting either side is absolutely right or absolutely pure. But those are the two sides of the issue.

I think I acknowledged right at the beginning I could debate either side as being the only way, if that is the side of the debate I happen to be on. That is one of the things about being on one side of an issue or being in opposition and critical of whatever the other side is. But when one is in government one must try to recognize the total problem and the total issue involved, and think of the other implications of any other policy decision.

But it is not useful to try to compare this with similar situations throughout the province. There are something like 16,000 other parcels of land

that would have the same kind of argument—that is to say the zoning and land use are different. To compare that to the people of North York who have a backyard plot in their 50 by 100, or 60 by 100, or 40 by 100—that really is irrelevant. They have a 10 by 10, or a 20 by 20 garden, I would presume in most cases, for their own use. That was the same as the urea formaldehyde foam insulation situation that went to the assessment review court. That body ruled the appeals were, to put it kindly, rather frivolous and were really not comparable to the other situation at all.

I have not yet seen the private legislation. I have seen the advertisement in the paper, but I have not seen the bill that is being proposed by North York. There is no doubt we will look at it in the context of the whole issue when the legislation comes forward. As the member knows the item was included in the Treasurer's budget last May, as to the change in the farm tax rebate and managed forest situation. We are hoping to be able to address this in the total context of that issue rather than on an isolated basis.

But I can assure the honourable member opposite when that bill comes forward and when I and my associates see it, we will see if it possibly has some validity and if we can support it. I cannot make a commitment at this time that we will oppose or support it. We will look at it and its possible implications.

It is fine to say, "But this is a private bill and only has to do with North York." But the member well knows, from the realities of how we operate, that once something is done in one place it will be used as a precedent elsewhere. So we have to look at the rippling-type implications of that kind of a decision.

But we will look at it seriously and we are looking at the whole problem seriously in the context of resolving the total farm tax system and similarly the managed forest system.

9:40 p.m.

Mr. Di Santo: I was not very optimistic when I rose to speak on this issue, but I did not think I would be so disappointed by the minister. I would like to point out that the minister fails to understand this is a unique situation. I said at the outset that I do not want legislation that applies to all the situations existing in Ontario. I realize there are cases where there is legitimate farm land used for agricultural purposes that may be developed for other uses. I do understand that.

I said before and want to repeat that this is a

unique and scandalous situation. We have oil companies that in order to evade taxes are leasing the land for agricultural purposes. You are telling me this is legitimate agricultural land. I think that is preposterous and ludicrous.

If the minister is telling this House the four oil companies, by leasing the land for agricultural purposes, are helping the preservation of farm lands in Ontario that is utterly laughable. If he wants to preserve the farm lands in Ontario, he should talk to the Minister of Agriculture and Food (Mr. Henderson) or to his parliamentary assistant, the member for Elgin (Mr. McNeil). He should ask them what happened to the 3,000 acres of land in Vaughan township, a question the Leader of the Opposition (Mr. Smith) has been raising repeatedly. There is wild speculation going on there. Why don't you preserve that land?

This is not an issue I raise simply because I am on the opposition benches. The people on the council in North York are mostly Tory hacks. The mayor of North York ran for your party and was duly defeated. But the council of North York also realizes this is a scandalous situation and that is why it took the companies to court. The councillors are not the opposition and they are talking to your members, trying to convince them. This is not a problem you solve with deals behind the scenes. You must give an example to the people of Ontario by saying, "We are also able to fight the big boys who support us financially during elections, because there is a sense of justice in Ontario."

The minister said quite sarcastically that the cases of the people who appealed their assessments were irrelevant, because they were rather frivolous. I want to repeat what I told the minister, and I hope he understands me. The people who appealed were absolutely conscious of the fact they could not win their cases, but they appealed so they could raise some consciousness on your benches. Of course they failed, as we failed, because you find it hard to understand.

If the minister does not understand this is a unique situation he is doing an injustice to the people of North York. Later on he may pay for that in the same way as when he opposed my resolution on property taxes. You can refuse to reform property taxes but you will be called to account for that by the people of Ontario. It will take time, but you will be called to account for that.

Hon. Mr. Ashe: Mr. Chairman, I would just like to clarify a couple of issues. I did under-

stand the points the honourable member was making before and I did recognize what he said about that situation—the numbers and so on. However I think it is possible he did not appreciate the number of parcels of land that were involved. I know he has referred to it as something he generally did not support.

I think many honourable members did not know—and I will be very honest: I personally did not know—the magnitude of the number of properties that have a zoning other than the land use vis-à-vis agricultural and nonagricultural zoning. I passed on that number for his information because the amount of it, when I first found out about it some time ago, was much higher than I had expected.

I want to correct one figure I gave in my previous remarks. I think I indicated that even if we presume this full "tax saving" is transferred exclusively to the residential home owners of the city of North York it would have an impact of something like 80 cents a month—I meant to say "about eight cents a month," because it is about \$1 a year. So give or take a penny or so on the year it is about eight cents a month. I do not think that is going to change significantly the standard of living of any home owner in the very affluent city of North York.

Concerning the overall issue of blaming the opposition, I think if the honourable member will look back at Hansard when it comes out tomorrow he will see that is not what I said. I did not say the opposition raised the issue; I said it is very easy for opposition, including the opposition opposite, to come down on one side of an issue because they do not have to worry about the implications on all sides of a question. I think he will read that I did not indicate the honourable members opposite raised this issue or originated it, because I know that is not the case and I acknowledge it.

I will not go into great detail on the other situation he referred to, that of the senior citizens, because it really is not relevant to these estimates, but the vote I took part in some years ago was, I think, reasonable and rational, and recognized the realities of our times. It is just too bad the honourable member opposite has not been made aware in the meantime that the commitments this government did make to recognize the burden of taxation on seniors has been duly recognized with something known as the property tax grant. If he looked at most taxpayers' bills he would find that in most instances—except in some of the bigger homes, possibly, in North York and elsewhere—the

\$500 from this program is generous enough to more than offset the actual educational taxation impact on most senior home owners in this province. The same thing, of course, holds true if they are renters.

Mr. Nixon: Mr. Chairman, this will be quite brief, because it is a matter the minister has become quite familiar with. It is the problem experienced by the township of Onondaga in my constituency with the equalization factor established by the minister's staff, which is used for the apportionment of education costs in Brant county and the city of Brantford. I believe the minister is familiar with the details, or he probably should be, because it is a nagging problem affecting a relatively few ratepayers in the township of Onondaga. They feel, properly, that they have been paying more than their share of education costs since about 1976.

The blame for this rests with the improperly established equalization factor. When the equalization factor was established about 1977 the township entered an objection, but since the process was relatively new the appeal was not successful. I believe the minister's predecessor, and even the Treasurer of Ontario (Mr. F. S. Miller) when I appealed to him at that time, indicated the matter would be self-correcting.

In fact, the matter is not self-correcting; it is getting worse as the years go by. The minister's response when I raised this in one of the assessment bills earlier on was that it was a matter for Education. But the grants for education apportioned the local shares for cost on, at least in part, the minister's equalization factor. If any are entered into incorrectly, there is not much even the Minister of Education (Miss Stephenson) can do, other than write out a cheque and send it to the people in Onondaga, which I doubt she is prepared to do.

9:50 p.m.

Onondaga is a small township. It does not have a platoon of staff members to work out all the statistics and fight for this. After all it was the government's decision that took assessment away from the county 10 or 12 years ago. So the only thing we can do is come to the minister, who is responsible for the error and the fact that it remains uncorrected.

I can see the difficulty he may experience in going back to a factor established in 1977 and retroactively correcting it. The problem is that the local board of education and the ministry approve the establishment of the education apportionment on that very incorrect factor. What are we supposed to do about it? Is it

because it is a small municipality with only a handful of ratepayers that neither the Minister of Education nor the Minister of Revenue and his staff can do anything about? To be fair, his staff has been good enough to go and talk to the council members themselves.

If there is a solution to a problem like this—and there has to be because we in this House are all-powerful, if I may use the phrase, in this area—it is our job to see that justice and equity are established, even for a relatively few number of ratepayers. It is not a matter of 80 cents per month, it is a substantial amount of money.

Hon. Mr. Ashe: The other was eight cents.

Mr. Nixon: Eight cents per month, all right.

It is a matter of concern if it is unfair and unjust. I hope, as a Liberal, that we can move towards, if not perfection, at least improvement in the system. I hate to bother the minister and the House with this matter but the government decided to centralize the responsibility for assessment. He did this, so he has to take the responsibility for the inequities that persist.

The local council could not possibly be more co-operative and more thankful for the visit of the minister's officials. I am not impressed yet, because I feel there should be a solution that can be worked out. It is not enough to say, "Go to Education; let them do something about it," because it is his factor that is wrong. What is the minister going to do about it?

Hon. Mr. Ashe: Mr. Chairman, as the honourable member has already acknowledged and recognized, I am advised there have been ongoing discussions with the council of the township of Onondaga—I have trouble with that one.

Mr. Nixon: It is a famous Indian tribe so be careful.

Mr. Newman: Watch that scalp.

Hon. Mr. Ashe: That is right.

There have also been recent meetings with the council and with the reeve, Mrs. M. Dougherty, I understand. The factor that became unfrozen, as the honourable member knows—is the honourable member listening to the answer? Through a letter we have from the reeve, a copy of which she sent to the member opposite, I understand that now that we have gone over the issue, she accepts the factor as being correct and reasonable and she is quite pleased with it. I guess "pleased" is probably a little strong, but she accepts it as being fair.

As far as the issues going back to—I do not know what the significance of 1977 is, because—

Mr. Nixon: That is the factor the Education people use. They do not use the new factor, which is correct.

Hon. Mr. Ashe: There is no doubt Education does come up with a factor of its own in some municipalities. But in the previous issue of 1977—I do not know where 1977 comes up, frankly, because all the factors in the province were frozen at 1970 values and were only unfrozen in 1979. I am not quite sure what the relevance is of 1977. All we can go by right now is the correspondence we have from the reeve that she has accepted the factor is reasonable and equitable. Unless we hear otherwise from her I do not know how we can conclude otherwise.

If there is anything further the honourable member can add to this letter we have from the reeve, I would be pleased to hear from him, whether it is tonight or on another occasion in the next day or so. I invite him to do so. Maybe he can check with the reeve to find out whether that actually is her thinking or whether we coerced her into writing that letter. I would suggest we did not. If there is anything further we can do to convince, not only the council but the member opposite as to the equity of the present factor we would be only too happy to do so.

Mr. Nixon: If I may take another moment, Mr. Chairman, the present factor has been changed over the previously frozen factor. There was an objection to the previously frozen factor and your officials at that time said it was correct and they would not change it on the basis of the appeal, even when it was thawed out.

For reasons that have not been made very apparent, even though your officials said it was the correct factor, it was changed this year, much to the gratification of the reeve and the council who used all of their undoubted persuasive powers to have it changed. But it is the old factor which is still used to apportion education costs, for reasons surely you and your government understand, because this is the most arcane, ridiculous system of factors that was ever dreamed up by any centralizing authority.

Reeve Dougherty is delighted you have finally smartened up and changed the factor so it reflects a truer assessment of the values in her municipality compared with similar ones in the county of Brant. I received a letter in which she indicates she is very glad of the assistance and advice she has received and that the new factor is correct. It might interest you to know that as

you delve into the reasons the new factor came into existence after your officials maintained so strongly and for so long that the old one was perfection itself.

I will follow the minister's admonition and refer to the reeve again. If she is satisfied with the situation that is an end to it. But at the meeting I attended with her, attended by your own officials who heard the same discussion I am hearing now, there was anything but satisfaction at the time. The irate ratepayers, who were kept out of an in camera meeting, were actually pounding on the door of the council. If you think they are satisfied that is not the impression I received.

Hon. Mr. Ashe: Let me briefly explain the basis of the factor. I think we have acknowledged there was a frozen factor for practically all of the 1970s in all the municipalities. That is something we were stuck with. Whether it ended up being the right decision is quite debatable and another issue. Once the factors were unfrozen, in every municipality they change every year so that—

Mr. Nixon: What was the first year they were unfrozen?

Hon. Mr. Ashe: It was 1979.

Mr. Nixon: Then it must be that 1979 year, not 1977.

Hon. Mr. Ashe: In effect, this is the third year. They change every year. The whole process involves the total assessment within a municipality to come up with a value and a factor as it equates to the total market value vis-à-vis the other municipalities, et cetera. It will change every year.

I think part of the problem in some municipalities, and it may still be the issue here, is the use of the previous frozen factor, slightly amended, because they have their own formula within the Ministry of Education for education purposes.

If there is still some problem in the utilization of that factor, which is different from that provided by the Ministry of Revenue, I would suggest that, quite properly, if the municipality is satisfied with our factor now, that representation should be made to my colleague the Minister of Education. I am not sure that still is a problem.

If there is a continuing problem it would appear it is in that area, in the continuing use—and education does that in municipalities. It still uses the old factor with adjustments, for the sake of a better description. That is where

the problem lies. If there is anything along those lines that can be of assistance to the member I would be quite happy to assist.

10 p.m.

Mr. Charlton: I would like to pick up on the issue raised by the member for Downsview (Mr. Di Santo) and the one raised by the member for Essex South (Mr. Mancini), who is now in the chair—not in terms of the specifics of those issues, but in relation to the effect they have on the overall discussion we are having tonight about assessment.

What I am about to say is not a criticism of the minister's deputy or the assistant deputy minister for assessment, nor anybody in the assessment division. This is a very political question. My criticism is of the minister, not personally but as the Minister of Revenue and a member of the cabinet of this government.

I listened with interest to his comments in response to the member for Essex South and to the member for Downsview. The kinds of solutions the minister is presenting are mealy-mouthed cop-outs. I am putting that to him straight.

This government in 1970, after some years of discussion, took over the sole responsibility for assessment—for the setting of the property tax base in Ontario. The act is very clear; it is the ministry's responsibility. All that has happened in this House since 1970 makes it clear it is their responsibility. The minister was not the minister at the time, but I am sure he was aware of the debates going on at the time his predecessor first announced the implementation of the section 86 program.

The minister this evening suggested to the member for Essex South there were three possible ways of solving the golf course problem in Essex county. I concur with the minister. The golf course problem in Essex county is not the only problem out there in the assessment field, and neither is the tank farm in North York. There are thousands across the province.

One of the solutions the minister suggested when he was responding to the member for Essex South was if they could convince all three of the municipalities in question—I am not sure whether there were two or three—to implement a section 86 equalization program, it would solve the problem of the Canard Valley golf course. But then the minister went on very appropriately to point out that would be a very difficult task. Even if he convinced one of the three, he would be lucky. To get three out of three would be quite a feat, especially for an opposition member.

At the time the minister's predecessor announced the section 86 program, a number of us in this House, including myself, said as strongly as we could to the minister that we understood why he was moving section 86 and we understood there were some improvements to be gained from section 86, and I have said it repeatedly in this House to this minister, even since his very recent installation in the position.

But ever since the inception of this section 86 program, I have taken issue with its voluntary nature. I said that to the minister on the day he announced the program, and I am going to say it again here tonight. The program has some benefits, but it is not an overall total solution.

This government took the responsibility in 1970 for the assessment legislation in this province, for the creation of an assessment policy, for the establishment of a uniform equitable assessment base across the entire province. Now, in the section 86 program, the government is attempting to shift the responsibility, not for the creation of policy but for the implementation of policy, back on to the individual municipalities.

I have said right from the outset that if there are benefits, if there will be more equitable assessments created by the implementation of section 86, then this government should be taking the responsibility to make it mandatory and to do it province-wide.

The minister is suggesting here tonight to the member for Essex South and to the member for Downsview that they are talking to him about isolated problems, and he is suggesting an around-the-corner, around-the-bush solution.

The real solution is for this government to do what it should have done in the first place in 1978 when it announced the section 86 program. The solution is for the government to get off its behind and make the commitment and get on with the job right across this province.

I want to say that I do not fully understand the political context of this whole question now. There was some understanding in that whole situation in 1978 that in some circumstances, when a section 86 is implemented, there is some public backlash and some flak. We had some in Hamilton; there was some in Cambridge. There have been some problems in terms of implementation. I understand that, and the member understands that.

In 1978, I understood that in a minority situation there was some pressure on the government to try to cover its behind. Now the government has its majority; it has four years. Why can we not get on with the job?

We have the kind of problems that were raised by the member for Essex South, and the minister has admitted the complaints he has are valid. I wrote down the figures just for my own reference in the future, because the discrepancies that exist there are tremendous, they are huge. The kind of thing that is going on with the tank farms in North York and elsewhere in this province is not a problem that is going to go away.

Let us talk about some of the specifics. The minister said in his response to the member for Downsview that we do not want to be doing things in the Assessment Act that would encourage the movement of land out of the farming sector. I happen to be one who concurs with the minister in that sentiment. I do not want to see anything in the Assessment Act that is going to discourage the use of land in this province for farming. We have enough problems with farm land going out of production without doing anything in the property tax sector to speed that up.

On the other hand, at some point we have to start dealing with some of the specific realities that are out there to be dealt with. For example, in the case of the specific tank farms we are talking about in North York, the minister knows as well as I do that the oil companies in question bought that land for their use and, when the time suits them, that land will no longer be farmed. Nothing we can do here is going to alter that; that is a different case from land that is being legitimately farmed on a long-term basis. We have to start to deal with some of those problems.

10:10 p.m.

I understand the problems the minister and his staff have. The assessment division has been trying ever since I joined the assessment profession, which was prior to the takeover in 1970, to come up with a reasonable and workable definition of farming in this province. We have not got there yet, and there is going to be some problem getting there.

Surely the minister has a responsibility, and his responsibility is much greater than just saying to the member for Essex South, "Well, you can go to the municipality cap in hand and beg for some kind of deal to create equity." The minister took on the responsibility of creating that equity.

What the minister is telling the member for Essex South is not even totally correct. Even where we have gone to section 86, we are doing it municipality by municipality on a voluntary

basis. In Hamilton-Wentworth now, three municipalities have gone the section 86 route, and there may be a couple more next year, I guess. I know they were going through discussions just a few weeks ago about whether to go, and to tell the truth I have not kept on top of the votes and the decisions those councils made. I know Glanbrook was one of the ones that was considering it.

But in each of the cases where we have gone to section 86, we still have not created the kind of equity between municipalities that the minister was talking about to the member for Essex South. Having those three municipalities on section 86 would have solved some of the problems if the golf courses the member was talking about had been in those municipalities, but the section 86 program was done differently in each of those municipalities. They used the local analysis within the municipality, and the factors that are used in those municipalities are different.

I cannot even quote them off the top of my head right now, but in Hamilton the residential assessments are at 10.8, in Flamborough they would probably be about seven and my guess is that in Stoney Creek they would be roughly halfway in between, around nine.

At any rate, whether or not those factors are correct or even near correct it makes the point to the minister that he has three municipalities that have gone the equalization route, but it still has not accomplished what he was implying to the member for Essex South, that if he got all three municipalities to go it would solve all his problems. Under his present system, each of those municipalities would be done somewhat differently and analysed within itself.

Yes, that would solve part of his problem, but the minister can solve the whole problem by taking hold of the responsibility that this government took on in 1970, implementing section 86 province-wide and using the same factors right across the province in each of the sectors—in the residential sector, in the commercial sector, in the industrial sector, in the multi-residential sector and in the farm sector.

If he does that, all the situations such as the one referred to by the member for Essex South, where we have two municipalities within the same county and competing businesses within just a few miles of each other, will then all be assessed on the same basis at the same percentage of market value.

But even if the member for Essex South accomplished what the minister suggested he

might try, which is to convince those three municipalities to go the section 86 route, that would not be accomplished. There are no solutions except the solutions he can provide across there in a uniform and universal way, which is what he proposed to do in the first place.

Hon. Mr. Ashe: Mr. Chairman, again I want to touch briefly on a couple of points raised by the member for Hamilton Mountain: section 86 and the responsibility of this ministry and of this government. I do not think that responsibility is denied. I do not think anybody ever tried to suggest that was the overnight solution.

As we all know, we attempted to come up with some kind of overnight solutions to the whole property tax reform system. It failed for various reasons, some of which were our own and some of which, I think the member will agree, were a lack of consensus in many cases from various municipalities. In any event, it did not wash.

The section 86 solution was felt to be something we could handle. At least we were making progress and still looking at the overall issue of property tax reform in its broadest sense—beyond just the issue of assessment per se.

I acknowledge that I do not disagree with the member that at some point either I or a successor of mine will have to make the ultimate decision to say that a big majority of municipalities in this province have opted to go section 86, it has been generally solving most of the problems that could be solved with section 86 and the rest are going to have to go. I think that is going to happen.

In this time of constraint and restraint, the problem is to suggest all of a sudden that within our own fiscal capabilities, let alone our manpower capabilities, we could convert to a complete section 86 all in one year. Whether it would have been last year or the year before or even this year, I suggest to the member we just could not physically do it, and that is one of the reasons we have been going along on the basis of request by local government.

It has been well received, as the honourable member knows. There have been 247 municipalities that went section 86 in the first three years and, while the final figures are being resolved, it will be within a couple of 100 this year. That will be 347 municipalities that have gone section 86, as well as another 138 proclaimed on one form of market value within the past number of years. For 1982 taxation, approx-

imately 485 of the 837 municipalities out there will have gone on to one form of market value or another.

Over the next couple of years, if that kind of activity still carries on—within a given county, within a given region and ultimately within Ontario—I think section 86 will have to be implemented.

Where the issue is now, as I am sure the honourable member knows, is that we have been working with the various municipal associations, which are now under the aegis of the Association of Municipalities of Ontario. We have been doing simulations of county-wide and/or region-wide section 86 implementation. I can see that happening. Personally, I hope it will happen next year for taxation in 1983, but time will tell.

Regardless of the ultimate responsibility, and I do not deny the ultimate responsibility of that kind of implementation, one of the problems we took on before was trying to reach some kind of unanimity, in some cases working with municipalities and in other cases working against municipalities.

But when there is support from the local elected officials, then the implementation of any kind of change has a better chance of success. At least then we have the local politicians for the most part—and it is not always unanimous, as the member well knows, even within a municipal council—defending that position. I think on that basis it has a better chance of being sold to the ratepayers and a better chance of success.

We both know there are some municipalities in this province which will never make that kind of a step. They will not make that kind of a commitment, and ultimately the decision will have to be made for them. When the appropriate time is there, I personally will not be reluctant to make that kind of a decision on their behalf, knowing it is fair and equitable.

10:20 p.m.

I want to touch briefly on the many other issues out there, and there is no denying that they are there. To touch upon the tank farm issue for a moment, one thing that is forgotten, if one looks at that one again as it has been raised by the member's colleague, is that not all the blame can be put at the feet of the oil companies in this instance.

The member shared his support for trying to keep as much land as possible in agricultural use, but if we look back at the origin of the tank farm issue and the tank farm acquisitions per se,

we will find that the tanks themselves were developed in an area of North York when it was very agricultural and rural in nature. It was the planning process and the municipal council in its wisdom which allowed development to come up around it that has now made it appear that the tank farms are the ones out of place. I suppose they are, but it is not something they chose to happen. It happened around them.

If and when the time is right economically, if for no other reason, I am sure those oil companies will make the ultimate decision to say it might be more appropriate to move their tanks 10 or 15 miles farther north and turn those lands to other uses, whether commercial, industrial or even, in some cases, residential. That decision may very well be made.

I suggest to the honourable member that exactly the same decision will be made at the appropriate time even by legitimate farmers who own lands that will be developed at some time. When it is right economically and in terms of the climate and atmosphere around them, they will make the same kind of decision. So I do not think we can be critical of just the oil companies because they are oil companies. It is an economic reality that those decisions have to be made at a given point in time.

I am glad the member understands and appreciates the complexity of some of these issues, and the implications of trying to resolve those issues in isolation in the broad context of the implication of any change on other similar issues throughout the province. When we are considering those factors and issues, we try to think ahead; in some cases we may be solving what is perceived to be a problem on a restricted or isolated issue and at the same time causing more problems elsewhere. That is always part of the consideration. It is easy to look at something in isolation, but it is not quite that simple when we have to look at the whole province and the broad issues that relate to it.

The Acting Chairman (Mr. Mancini): I draw to the attention of the member for Hamilton Mountain that the member for St. Catharines (Mr. Bradley) has been here all evening—

Mr. Nixon: Waiting patiently.

The Acting Chairman:—waiting patiently to get on the record. We are now almost to the end of the evening. I just bring that to your attention.

Mr. Charlton: I will be very brief, Mr. Chairman, but I want to respond to the comments the minister just made.

I am very unhappy to hear that the minister, and probably his predecessor as well, do not have as much faith in the staff in the assessment division as I do. I am just going from memory now, but it seems to me that it was in June 1978 that the minister's predecessor made the announcement about the section 86 program. If his announcement had been that section 86 was going to be implemented province-wide, nobody on this side of the House would have expected the ministry to be ready to do it by December 1978.

My sense, from what I know of the staff capabilities in the assessment division—and this is something the minister should think about—is that by December 1979 the division could have been ready to implement right across the province. If I am wrong, at the very worst—as the Premier (Mr. Davis) would say, “the worst-case scenario”—the ministry would have been ready by December 1980 to implement section 86 right across Ontario and we would have it in place today to deal with exactly the kinds of problems that are being raised here tonight. I just wanted to throw out that comment in terms of the capabilities.

Mr. Bradley: Mr. Chairman, on a slightly different topic, but one that is on this vote, I just want to add some comments because I think many of us have faced the same circumstances in regard to the problem of the urea formaldehyde foam insulation which was brought to the attention of the minister earlier this evening by both the member for the Erie (Mr. Haggerty) and the member for Welland-Thorold (Mr. Swart).

There are those of us who have had complaints from constituents who are in unfortunate circumstances, because of the encouragement from the federal government to have their homes insulated with UFFI, and are now in a situation where they are finding no real solution to their problems.

As other members have indicated to the minister, and I recognize his problem in looking at it in the total perspective of the assessment circumstances, I hope he will look at it. I know he has given some undertaking at least to look at this in a future year in terms of changes, but I think we recognize the value of the home is significantly diminished when we find it has been insulated with urea formaldehyde foam insulation.

We have already had it pointed out this evening that if there is substantial damage to a home in terms of a fire or something of that

nature where there is a disastrous effect on a home, there is provision made within the Assessment Act for a lower assessment. I think we recognize the value of that.

With the movement towards market value assessment that we have, and we certainly do not have full market value now, we recognize that it would be fair to have the assessment department look in general at those homes that have been affected by the installation of UFFI.

The minister has suggested appealing, and it is certainly one option that is open. Unfortunately, the ultimate costs of appealing could be rather heavy. We know the first step is not a costly process, but if one goes to the county court appeal and to the OMB after that—I do not know whether you can go to the Supreme Court, but if you could, it would be a substantial cost. If the first avenue of appeal is unsuccessful, it then becomes costly even if merely in terms of the lost work time.

The cost of retrofitting is a tremendous cost. We have had many people who have been driven out of their homes. While we have appealed to the Minister of Health (Mr. Timbrell), the Minister of Consumer and Commercial Relations (Mr. Walker) and the federal government to provide assistance to these people, to this point we really do not have a satisfactory solution.

That is why we tend, maybe in desperation almost, to come to the Minister of Revenue and say, "Is there any possibility that on a general basis you can give at least some significant relief to those people in terms of assessment?" I have certainly been recommending to them what the minister has stated, that they should be appealing. I am hopeful that can be successful to a certain extent, but I think we are looking for something in a little more of a general sense.

The federal government has provided nothing that I think is useful, except for the testing program. They have certainly provided nothing in terms of compensation. I understand the Quebec government has provided certain assistance in terms of relocation and so on, but assessment appears to be the only avenue at this time for assisting those people. That is why we are urging that the minister take that kind of action if at all possible.

I am slightly encouraged by the minister's comments about next year, but what we are looking for is some kind of immediate assistance, even if it is through the Assessment Act, which is not perhaps the most preferable way, but it is one avenue of being able to assist those people.

As the seconds tick away, Mr. Chairman, I wish I had the opportunity that was presented last night to talk about the tax grants for seniors program which is jamming the telephones of our constituency offices. I have some suggestions that I will give to the minister in an open letter later this week, but I wish I had that opportunity last night.

The Acting Chairman: Before the committee rises and reports, I draw to the attention of members that there are more than three hours of estimates time left. I believe the debates will continue on Friday, unless it is the wish of the committee to carry vote 804.

Mr. Charlton: I have a number of other matters I want to raise under this vote.

The Acting Chairman: I just wanted to make sure members were aware of that.

On motion by Hon. Mr. Ashe, the committee of supply reported certain resolutions.

The House adjourned at 10:31 p.m.

CONTENTS**Tuesday, November 24, 1981****Committee of supply**

Estimates, Ministry of Revenue, Mr. Ashe, adjourned.	3873
Adjournment.	3895

SPEAKERS IN THIS ISSUE

Ashe, Hon. G. L.; Minister of Revenue (Durham West PC)
Bennett, Hon. C. F.; Minister of Municipal Affairs and Housing (Ottawa South PC)
Bradley, J. J. (St. Catharines L)
Charlton, B. A. (Hamilton Mountain NDP)
Cooke, D. S. (Windsor-Riverside NDP)
Cousens, D.; Acting Speaker and Deputy Chairman (York Centre PC)
Cureatz, S. L.; Deputy Speaker and Chairman (Durham East PC)
Di Santo, O. (Downsview NDP)
Haggerty, R. (Erie L)
Laughren, F. (Nickel Belt NDP)
Mancini, R.; Acting Chairman (Essex South L)
Newman, B. (Windsor-Walkerville L)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Piché, R. L. (Cochrane North PC)
Roy, A. J. (Ottawa East L)
Swart, M. L. (Welland-Thorold NDP)
Wildman, B. (Algoma NDP)



Ontario

LEGISLATIVE ASSEMBLY

No. 109

Legislature of Ontario Debates

Official Report (Hansard)



First Session, Thirty-Second Parliament

Thursday, November 26, 1981

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Thursday, November 26, 1981

The House met at 2:01 p.m.

Prayers.

STATEMENTS BY THE MINISTRY

FEDERAL-PROVINCIAL FINANCIAL ARRANGEMENTS

Hon. F. S. Miller: As members know, Mr. Speaker, the federal Minister of Finance met with his provincial counterparts in Halifax this past Monday and Tuesday to discuss the federal budget proposals relating to equalization on the established programs financing arrangement. I wish to report briefly on the course of those discussions.

Understandably, much of our conversation focused on the numbers contained in the federal budget. To his credit, Mr. MacEachen acknowledged even before our meeting began that his budget had erroneously understated the net impact of his proposals on the provinces by some \$650 million over the next five years. In the budget, Ontario had been shown with a net gain of \$16.4 million in 1982-83. This has now been corrected by him to a net loss of \$42.1 million. In the budget, our five-year loss had been calculated at \$1,127,000,000; this has now been revised to \$1,237,000,000. In short, we are substantially worse off than we thought we were on budget night.

Moreover, there are continuing problems with the numbers having to do with the underlying economic assumptions, cash flow arrangements and policy responses of those provinces that do not have tax collection agreements with the federal government. Federal and provincial officials accordingly have been instructed to meet before the next ministers' meeting to see if some of these statistical problems can be further resolved.

Make no mistake about it, the federal government, having levered the provinces into major spending programs, is now unilaterally going back on its earlier assurances and commitments of support. All provinces are thus forced to make major program cuts in health and education or will be required to raise significant new revenues. All provinces protested the federal government's intention of eliminating the 1977 revenue guarantee compensation. They

are also objecting to Ottawa's two-stage plan of cutting transfers starting in 1982-83 while postponing discussions on federal program standards and conditions that may impose even higher costs on the provinces. The federal minister was criticized for offering "tax offsets" that are uncertain, short-term and, in fact, not benefits at all but simply federally imposed tax increases on provincial taxpayers.

I covered most of these arguments in my own opening statement to the meeting, copies of which were distributed to all members earlier in the week. I invite those wishing an even fuller statement of the Ontario position to reread my 1980 and 1981 budget papers on the fiscal arrangements.

The upshot of the meeting was that provinces unanimously requested a one-year delay in the revenue guarantee cuts, with a possible floor provision to protect the equalization receiving provinces. This would allow comprehensive and co-ordinated discussions on both financing and program-related issues. The federal government rejected such a delay, arguing that restraint was a major imperative that had to extend to the provincial transfers.

The discussions of the new equalization formula centred largely on the implications of moving to an Ontario standard. We also discussed, somewhat inconclusively, Quebec's argument that equalization constitutes a disincentive for poor provinces to foster economic growth in their own regions.

Our meeting concluded with an agreement to convene again in Toronto on December 14 and 15.

I would be remiss in this report if I failed to comment on what the Prime Minister was saying simultaneously to audiences at the very opposite side of the country. On Tuesday night, in Vancouver, Mr. Trudeau accused provinces of having spendthrift policies and of taking a free ride on the federal government. He implied that provinces are greedy and are solely interested in more and more federal dollars. This is not the case. Since the late 1960s, when we were forced into medicare by the federal government, provinces have been fighting a continuous battle to merely hold on to what we have.

We had to oppose federal ceilings on post-secondary education and health care. We sustained a major loss when the federal government indexed the income tax. We lost some 60 per cent of the crucial revenue guarantee in 1977. We just recently lost the \$250-million community services contribution program. And this year we are fighting to prevent the federal government from knocking off \$818 million in established programs financing transfers for the 1982-83 fiscal year across Canada.

In fairness, the federal government has enriched a number of programs, but provinces have nearly always been left with great uncertainty as to how long this will last. One should not forget that EPF, supposedly a long-term arrangement, was a major, albeit unsuccessful, target for federal restraint in the very next year, with the federal government proposing at that time to reduce the gross national expenditure escalator by two percentage points.

In short, the record on fiscal arrangements is clear, and, contrary to federal statements, it has been a record of gradual federal retrenchment and breach of faith. Ontario supports the Prime Minister's crusade for national unity and a strengthened federal role in economic nation-building, but we find it exceedingly discouraging that he chooses to build his case by making such unfounded attacks on the provinces.

I also find most objectionable the absurd and repeated contentions that the federal government picks up disproportionately high shares of the provinces' education costs. We have gone through this numbers game many times before, and the one thing that is certain is that these high federal shares are, to put it bluntly, wrong.

As reported in the Premiers' Victoria communiqué of August 1981, a detailed study of provincial spending on health and post-secondary education clearly indicates that federal transfers towards these functions still account for less than 50 per cent of the cost. Also, I was pleased to note that both the Hall commission and the parliamentary task force on federal-provincial fiscal arrangements lent support to this provincial interpretation of the data.

If there are to be productive federal-provincial discussions in December and subsequent months, this deliberate baiting of the provinces and this deliberate confusion of the numbers has to stop. As I said to the federal Minister of Finance this week in Halifax: "In the past, this country has been made to work through co-operation and consultation. We are anxious that this continue. The threatened federal unilateral action on EPF

and surrounding issues is the most significant threat to federal-provincial trust and confidence that I have seen." All 10 provinces urged the federal government to reopen the door to meaningful negotiations on these issues.

NIAGARA RIVER POLLUTION

Hon. Mr. Norton: Mr. Speaker, I want to bring to the honourable members' attention and update them on the ministry's ongoing activities and outline some new initiatives regarding Ontario's water quality and, most specifically, the future of the Niagara River.

It was just two weeks ago that I tabled the second environmental baseline report on the Niagara. It was compiled by my ministry and Environment Canada under the Canada-Ontario agreement on Great Lakes water quality. With reference to drinking water, the report concluded that water supplies from the river met existing and proposed Canadian and Ontario objectives for drinking water quality. In addition, the report said that for suggested limits of other organics currently not included in these objectives, the water was also acceptable.

However, as I noted at the time, the report raised concerns about the potential long-term effects of loadings of metals and organic contaminants. The Niagara River, as the report pointed out, is a continuous source of these compounds to Lake Ontario. The great majority of these contaminants originate from sources on the American side of the river.

The public is quite understandably concerned about the future of its drinking water and, indeed, the river itself. Of course, the only effective answer is to continue efforts to reduce, control and treat any effluents and, wherever possible, to eliminate contaminants that find their way into the river.

2:10 p.m.

Last week, the International Joint Commission was able to point with some pride to the accomplishments that Canada and the United States have achieved in phosphorus controls in the Great Lakes over the past decade. Ontario has played a key role in this achievement, and we have invested substantial resources.

I would like to see that same kind of achievement record for the problems we currently face with chemical contaminants. As many members know, my ministry has already undertaken a number of initiatives in this area designed to restore and preserve the Niagara River's quality and to ensure that the health of Ontario residents is protected.

Significant steps have been taken to deal with our own sources. There are a total of 19 municipal and industrial sources of discharge from the Canadian side of the river. All of these discharges are treated to meet our effluent requirements or are under control programs designed to bring them to acceptable levels. In addition, we have ensured that any abandoned waste sites in Ontario do not become sources of contamination to this water course.

The environmental baseline report is also part of our comprehensive program; so are increased monitoring, improvements in our laboratory facilities and research into better water treatment technology. We have also supplied leadership and support for a new toxicology centre in Ontario. This centre, designed as a combined industry, government and academic effort, will provide the most up-to-date scientific assessments of the long-term effects of chemical contaminants. It will also serve as a training and research institution. I have written to the federal environment and health ministers, requesting their support for this very worthwhile and essential endeavour.

I have also urged the Minister of the Environment, the Honourable John Roberts, to take whatever steps may be needed to improve Canadian drinking water quality guidelines where necessary. My letter suggests that an approach similar to that taken under the Food and Drug Act might be appropriate. This would mean that studies on effects would have to be undertaken before the release of any new chemicals into the Canadian market.

To reflect our newly acquired analytical capability to test chemical contaminants in parts per trillion, Ontario is constantly reviewing our drinking water standards. Ontario has also been one of the major participants in the Niagara River Toxics Committee, composed of representatives from our ministry, New York and both federal governments. It was assembled to assess discharges into the river and to devise effective abatement strategies.

With all the available evidence about the effluents that are already going into the river, it is difficult to accept the fact that SCA Chemical Waste Services, a company that previously used this river to discharge treated effluent, should now be seeking approval to relax its treatment standards.

The ministry became aware that SCA was considering this request during the summer. In a letter to the Department of Environmental Conservation, my deputy minister at that time

strongly objected to any possibility of relaxing treatment standards for the company.

However, SCA subsequently submitted an application requesting that the DEC consider a relaxation of 30 effluent parameters in what is known as its SPDES permit, or, to be more specific, the state pollution discharge elimination system permit. A total of 67 standards had been stipulated in its first permit to discharge. The first hearing is to be held December 1 in Youngstown, New York.

There are essentially four significant steps I wish to announce today in reference to the SCA application and the Niagara River.

First, since the SCA request has proceeded to the hearing stage, I have decided that Ontario will intervene on December 1 to voice our concerns.

When SCA first made its proposal to discharge treated effluent into the river last year, ministry staff made a complete assessment of the technology to be used. Of course, this government supports the concept of liquid waste treatment, but we wished to assure ourselves and Ontario residents that adequate safeguards would be observed and that the standards would be strictly enforced.

On technical merits, the proposal was considered acceptable. But to ensure compliance our staff, in co-operation with the federal government, monitored the river's quality during the discharge procedure. Preliminary results indicated that the original standards, as expected, were stringent enough to ensure that drinking water quality was protected. However, Ontario cannot support a relaxation in these standards; so the ministry will be present to voice its position at the initial hearings.

The second initiative is to appoint a senior ministry staff person to co-ordinate our Niagara River activities. This person will also have the mandate to assemble a team of technical experts. Their efforts, which will be devoted exclusively to the Niagara River, will be in addition to the ongoing activities conducted by the staff in our west-central regional offices.

Over the next several months, New York state's Department of Environmental Conservation will be reviewing the SPDES permits for several industries that discharge into the river, including the Niagara Falls sewage treatment plant. In addition, negotiations are under way to clean up several abandoned waste sites that could impact on the river.

One of the first responsibilities of the ministry co-ordinator will be to assemble detailed efflu-

ent data in connection with the permits that will be coming before the DEC for reappraisal over the next several months.

Third, I have instructed that this team, in conjunction with the ministry's technical and legal staff, assess the collected data. They will determine what impact, if any, the proposed discharges will have on the river. Based on this assessment, the ministry will intervene where we feel there will be a negative impact on the river's water quality or where more stringent abatement actions are required.

Because of the potential scope of this task, I have written to the Honourable John Roberts, urging that he join us in our efforts.

Finally, to ensure everything possible is done to eliminate Ontario's contribution to the problem, the ministry will review all existing control programs and orders on companies that discharge into the river from the Canadian side. Where possible, effluent requirements will be tightened and timetables for completion accelerated. Because of the work load this will entail, we plan to increase the staff in our regional office by two and to provide additional funds. These resources are in addition to those that are being provided for the special team.

Canada and the United States have shown their ability to jointly resolve transboundary water pollution problems in the past. I hope we can continue that practice with the Niagara River. In the interim, the Ontario Ministry of the Environment will continue to take whatever steps are necessary to protect our environment and the health of our residents. I will keep the House informed of the results of these activities.

McMICHAEL CANADIAN COLLECTION

Hon. Mr. Baetz: Mr. Speaker, later today, I will be introducing legislation to amend the McMichael Canadian Collection Act, 1972.

Given the tremendous public interest in the collection during the last two weeks, much of it, I regret to say, fuelled by a great deal of misinformation, I think it would be useful here to briefly review the history of the McMichael Canadian Collection as a publicly owned institution.

In 1965, Mr. and Mrs. Robert McMichael made a magnificent gift of their home, land and collection of Canadian art to the people of Ontario. This gift was made to the crown through an agreement among the McMichaels, the Metropolitan Toronto and Region Conservation Authority and the government of Ontario.

The agreement makes it very clear that the McMichaels wanted their collection "preserved, maintained and developed for the public benefit" and that the crown was the appropriate authority for ensuring that these wishes were met.

The crown represented all the people and the public benefit. The crown had the resources to do the job. The crown, acting for all the people of the province was, of course, delighted to play a part in the preservation and development of a unique, and uniquely Canadian, enterprise.

It accepted the McMichaels' singular gesture; and, of fundamental importance, it accepted along with the collection the complete responsibility for it as well as important obligations concerning the McMichaels themselves.

The agreement provided that the crown's agent in ultimately managing and controlling the collection would be a five-member advisory committee composed of the McMichaels, two others and a chairman to be appointed by the four.

It also provided that the McMichaels would have the right to live at the collection as unpaid curators, the right to be buried there, the right to build buildings there at their own expense and approved by the committee, the right to provide advice to the committee and the right to consent to the sale of works of art that they themselves had donated.

Between 1965 and 1972, the crown not only met its commitments but also went beyond them. In terms of the development of the site, for instance, three additions were built to the original McMichael building, entirely and properly at public expense.

In the same time span, the collection itself more than doubled in size to about 360 works of art, many of them donated by Canadians who were anxious to join the McMichaels in the effort to build a uniquely Canadian collection in a uniquely Canadian setting.

By 1972, it was clear that the collection had grown into a major public institution that required the creation of a corporation for its management in the public interest.

Consequently, in late 1972, this House passed An Act to establish the McMichael Canadian Collection. In becoming the expression of the Legislative Assembly's will regarding the existence and operation of the collection as a public institution, the act carried forward the intent of the 1965 agreement with very slight modifica-

tions. At no time did Mr. McMichael disagree with the introduction and passage of the 1972 act.

2:20 p.m.

The act prescribed that the original McMichael building and land be preserved as a permanent site for a public gallery and that the art acquisitions of the collection be consistent with its general character.

The act also embraced the personal guarantees for the McMichaels that were specified in the 1965 agreement. In fact, it enhanced those undertakings. It made Robert and Signe McMichael trustees for life. It entitled them to live at the collection for life and to be buried there. Beyond that, and unlike the 1965 agreement, it stipulated that Robert McMichael would be a director of the collection and provided that a salary would be paid to him.

In recognition of the collection's existence as a public institution and its development through public support, both directly and via government, the act properly stipulated that the board of trustees would be appointed by the Lieutenant Governor in Council. The board would consist of between five and nine members. In the words of the act, "The affairs of the corporation shall be under the management and control of the board, and the board has all the powers necessary or convenient to perform its duties or to achieve the objects of the corporation."

In other words, the board, of which the McMichaels are members for life, is the ultimately responsible and accountable authority for the affairs of the collection.

That is the basic background that brings us to today and the amending bill I will be introducing later on. The bill will do four things. First, it will enshrine in statute for the first time a requirement that the collection focus on art by the Group of Seven and on native Canadian art. In the very words of the 1965 agreement, it will also allow for the acquisition and display of work by "other artists who have made contributions to the development of Canadian art."

Second, the amending bill will spell out that works of art given to the collection cannot be sold without the donor's consent.

Third, it will create a new position of founder director-emeritus, provide a salary for it and stipulate that Robert McMichael shall occupy it.

Fourth, it will allow the collection to use its gift shop revenues for general purposes.

Allegations have been made that the bill I will

bring forward today would dismantle the collection by allowing its paintings to be sold. In fact, the bill will do the very opposite.

Many people seem to have forgotten that under the present act paintings cannot be sold if an agreement between the collection and the donor prohibits such a sale. There have been occasions on which works have been sold. In each case the money has gone to a special fund that can be used only to purchase new art work.

When he was director, Mr. McMichael himself found this to be a very helpful provision, for he added to the art purchase fund by selling more than 100 works, including pieces by A. J. Casson, Lawren Harris, A. Y. Jackson, Arthur Lismer and Fred Varley.

Under the new bill, sales of art works will be even more limited, because they will always require the consent of the donor or, after his death, the consent of his representative unless an agreement stipulated otherwise.

The essential character of the collection will be further protected by a section specifying that the focus of the collection is the work of the Group of Seven, three of their contemporaries, the indigenous people of Canada and other artists who have made contributions to the development of Canadian art.

This amendment sets out the permissible content of the collection much more specifically than does the 1972 act and, as such, provides even greater protection for the integrity of the collection.

There have also been allegations that this government intended to break its 1965 agreement with the McMichaels. As I told this House seven days ago, that is simply not the case. It is crucial to note that in the 1972 act the intent and all the essential provisions of the 1965 agreement were restated, as the minister of the day, Mr. McNie, pointed out.

On November 13, 1981, however, counsel for Mr. and Mrs. McMichael formally presented a submission that, in effect, seeks for the McMichaels personal veto powers over the collection—powers they have never had. Let me quote from the submission:

"The McMichaels have no desire to participate in or interfere with the day-to-day business aspects of the operation. . . but they are strongly of the opinion that they should have control over the aesthetic aspects of the operation as contemplated by the 1965 agreement.

"In their submission, their right to approve or disapprove new additions to the collection, the disposal of any items presently in the collection

and the manner of presentation of the works of art should be stated clearly in the new legislation.

"In addition, their right to approve or disapprove any modifications of the grounds and buildings from an aesthetic standpoint—subject, of course, to the approval of the government regulatory bodies like the fire marshal—should be clearly acknowledged in the new legislation."

Mr. Smith: On a point of privilege, Mr. Speaker: The minister has just quoted from a document submitted on behalf of the McMichaels by a lawyer, Mr. Robinette. He has, however, taken one paragraph and failed to read the next paragraph; as a consequence of that behaviour, he has perhaps inadvertently misled the House as to the meaning of that document.

Unless the minister wishes to read the next paragraph—which will indicate that it was not individual control but joint control with the government, exactly no more and no less as that indicated in the 1965 agreement that was signed on behalf of the government—he is leaving a most unfortunate and totally wrong impression with this House.

Mr. Speaker, I ask you to cause him to read the next paragraph, failing which I will read it into the record.

Hon. Mr. Baetz: Mr. Speaker, I will read the next paragraph.

"The simplest way in which their rights under the 1965 agreement with respect to their aesthetic control over the collection and the grounds can be assured is to restore the board of trustees to the same number as the advisory committee referred to in the 1965 agreement, namely, five persons, and to provide that the board shall consist of five members during the lifetime of the McMichaels, and that Mr. and Mrs. McMichael will continue by statute to be two of the trustees, the other two trustees to be appointed by the Lieutenant Governor in Council and the four trustees to appoint a chairman subject to the approval of the Lieutenant Governor in Council."

In other words, they want to revert—

Mr. Smith: That's right. It's not a veto; it's two, two and one. That's what John Robarts signed. If the Premier (Mr. Davis) says it's stupid—

Mr. Speaker: Order. Mr. Baetz, will you continue, please?

Hon. Mr. Baetz: Needless to say, Mr. Speaker, the 1965 agreement which transferred the collection to the crown could not properly, and

did not, give the McMichaels control. That control was appropriately invested in the five-member advisory committee, of which the McMichaels were but two members.

Obviously, given the public ownership of the collection and the expenditure of millions of dollars in public funds over the years for its preservation and development, the board of trustees, which includes the McMichaels, must continue to be responsible and accountable for the collection's management and control. The board is responsible to the government, which is responsible to this Legislature and, through it, to the people.

I assume the McMichaels have sought veto powers so that they personally would have unfettered authority to protect the character of the collection. In the long run, I submit the best way to ensure the very continuity and character that the McMichaels seek is by preserving it through the legislation that I am bringing forward to the House today.

CANADIAN COLLEGE BOWL

Hon. Mr. McMurtry: Mr. Speaker, on a very happy note, I wish to draw attention to a very important and exciting sporting event that will be taking place in Toronto this Saturday at Varsity Stadium. I am speaking of the Canadian College Bowl championship between Acadia Axemen from the University of Acadia, Nova Scotia, and the Alberta Golden Bears from the University of Alberta.

These two excellent teams have successfully overcome all the tough opposition of the other teams of the Canadian Inter-University Athletic Union to win the honour of competing in the Canadian College Bowl.

2:30 p.m.

As someone who enjoyed the privilege of participating in college football, I can tell members that the game is sure to be a great battle with a high calibre of play from the young members of both these teams.

As well as being an exciting contest, this particular game, with teams from the east and west regions of our great country, will contribute greatly to the growth of understanding and pride young people feel about our nation. Sporting events of this kind, I believe, have a way of creating emotional bonds of fellowship and respect among both fans and participants.

Mr. Smith: You should be saying it, Tom. You should do it.

Mr. Speaker: Order.

Hon. Mr. McMurtry: I would like the young athletes in the gallery to know of the support of the Leader of the Opposition (Mr. Smith) for this event.

The citizens of Metropolitan Toronto have a special and pleasurable role to play in this process. They can show their support of Canadian amateur sport and all it implies by enjoying the college bowl festival parade at 10 a.m. and by attending the game, which starts at 1 p.m. at Varsity Stadium.

It has long been a contention of mine that we in this country, both fans and media, pay too little attention to the efforts of young people engaged in amateur sports. I think we both lose on this account; the fans, because they are missing some great contests, and the players, who need the support and enthusiasm of fans to reach high levels of excellence and personal skills.

It is in this context that I urge the fans of Metropolitan Toronto to attend Saturday's game to demonstrate to these teams from opposite regions of Canada our hospitality and support. Our reward will be the strengthening of the concept of national competition as well as the opportunity to view a first-class football game.

At the same time, I extend a warm welcome on behalf of the government of Ontario to the Axemen and the Golden Bears and wish them the best in their contest for the Vanier Cup, the symbol of true achievement in Canadian college football.

Mr. Speaker, in your gallery today we are very pleased to have representatives of both these fine football teams.

Representing the University of Alberta Golden Bears, and he was persuaded to come here directly from practice, is Mr. James Venn; also present is the captain of the Acadia Axemen, Mr. Steve Repik. We are pleased to have with these two fine young athletes, the founder of the Canadian College Bowl, Mr. Peter Gorman.

Mr. Speaker: The time for ministerial statements has expired.

POLICY ON STATEMENTS

Mr. Roy: Mr. Speaker, just before oral questions: Those of us on this side are very supportive of both football teams in the college bowl, but the fact remains that the Attorney General, who should know better, in his attempt to grandstand has hopelessly abused the rules of this House.

There are guidelines for statements by the

ministry. This statement, if it should have been made by anyone, should have been made by his colleague the Minister of Culture and Recreation (Mr. Baetz) or by the Minister of Intergovernmental Affairs (Mr. Wells) and not by the Attorney General.

Mr. Speaker: Order.

Mr. Roy: May I finish my point of order?

Mr. Speaker: I think you have made your point.

Mr. Roy: Oh no, I am not finished.

Mr. Speaker: All right. You are running into time.

Mr. Smith: What do you mean he is running into time? He is talking about statements.

Mr. Roy: We have not started the oral question period yet. Mr. Speaker, you should remind the Attorney General that when he is going to make a statement in this House he should make it within the policy of his ministry. This last statement had nothing to do with his ministry.

Hon. Mr. Davis: Mr. Speaker, on the point of order: I really regret the Leader of the Opposition—I heard him from across here—has objected to the Attorney General of this province making a very important and significant statement. I object—

Mr. Smith: I did not object to the statement.

Hon. Mr. Davis: Let me finish for a minute. Interjections.

Mr. Speaker: Order.

Hon. Mr. Davis: Mr. Speaker, I just want to finish the point of order of the member for Ottawa East who took exception to the Attorney General making this statement referring to the rules. I think it fair to state that if—

Mr. Laughren: There are no rules here.

Mr. Speaker: Order.

Hon. Mr. Davis: Why does the member not just try to be polite for once?

The very distinguished visitor in your gallery, Mr. Speaker, communicated with my office and asked me to make a statement in support of the college bowl, and I would have done this with great enthusiasm. Quite honestly, I had planned not to be here until later on this afternoon, and I asked the Attorney General.

I will tell the members why I asked the Attorney General. First, he was a great football player in college himself; second—

Interjections

Hon. Mr. Davis: Will they not wait until I finish? Be patient.

Not only was he a great player himself at college—

Mr. T. P. Reid: He played too long without a helmet.

Mr. Speaker: Order.

Hon. Mr. Davis: One or two of us on the team thought we were better, but anyway, he was a great player. Second, he was a great coach. But the members opposite have very short memories. This college bowl, I think, is one of the great things happening in college football in this country. They should know that the Attorney General of this province was at one time the chairman of the college bowl for this country, and I think it was very appropriate for him to make this statement.

Mr. Wildman: On a point of order, Mr. Speaker: With respect, I think you should have thrown the penalty flag long ago and expelled both of them for excessive talking.

Mr. Smith: Just very briefly, Mr. Speaker, lest the record be in any way confused: We very much support the college bowl. We very much support the athletes and the gentleman, Mr. Gorman, who is here. We are happy the Attorney General used to be chairman. I am sure he did a good job then, in contrast to his present work.

The fact, however, is that a Toronto member of the cabinet has been delivering a statement on Toronto matters when it would have been more legitimately delivered not by a back-bencher or by a member from one of the various ridings but by either the Minister of Intergovernmental Affairs or the Minister of Culture and Recreation, or even the Minister of Industry and Tourism (Mr. Grossman) if he likes. That was our only concern, and I think he should realize exactly what we are saying.

Interjections.

Mr. Speaker: Order. Order.

I just want to point out to all honourable members that although I get a list of those ministers who want to make statements I do not get the contents of those statements. It seems to me if there was a point of order to be made it should have been made by those on the opposi-

tion benches who were privy to those remarks before they were delivered.

Mr. Roy: But we did not get copies.

Mr. Speaker: Well, nobody objected.

Interjections.

Mr. Kerrio: Fifteen yards for illegal motion.

Mr. Speaker: Will the member for Niagara Falls please contain himself?

2:40 p.m.

ORAL QUESTIONS

PLANT LAYOFFS

Mr. Smith: Mr. Speaker, I have a question for the Treasurer and Minister of Economics and industrial decline. The minister will no doubt be aware the total number of layoffs announced in the month of November alone in Ontario exceeded 23,000: 19,000 temporary and 4,000 permanent or indefinite. Is he aware that more than 17,000 of these layoffs occurred outside of Metro Toronto? That is the very area where last year not only were new jobs not created, but 24,000 existing jobs were lost. What advice, therefore, does the minister have for the workers who have been laid off now, if they live outside Metro Toronto? Where should they go to retrain or to get new jobs?

Hon. F. S. Miller: Mr. Speaker, the problem obviously is very grave at the moment. Both the Minister of Industry and Tourism (Mr. Grossman) and I have said so. I hope many of the layoffs the member has just mentioned were, as we believe them to be, not of a permanent nature. There are steps being taken in Ontario to tackle the long-term problems. We have talked about those. We have talked about the Board of Industrial Leadership and Development document and the fact it is laying a foundation for long-term economic growth. In the short term there will be a number of difficulties and we are doing our very best to minimize that impact.

Mr. Smith: Supplementary, Mr. Speaker: The BILD document stated, "The top priority for the province is to ensure a greatly increased training effort by industry itself," and went on to speak of training during an economic downturn. Thousands of Ontarians are being laid off without new jobs in prospect. How can the Treasurer explain that so far this year, if we leave apart some money spent on research and equipment for universities and colleges and a little on youth counselling, a grand total of \$3.5 million has been spent on programs to retrain

employees whose skills have been made redundant by changes in the economy?

How would the Treasurer explain that is about one third of the cost of a jet plane for you know who? Nothing else in the BILD program with regard to retraining has been implemented. Some \$3.5 million has been spent in the face of this grave emergency the Treasurer says he is taking so seriously.

Hon. F. S. Miller: Mr. Speaker, I think the actual figures on retraining are best given by my colleague, the Minister of Colleges and Universities (Miss Stephenson). In the last year, along with the Ministry of Labour, we have done a lot of things to improve retraining in this province. One only has to turn to the Minister of Colleges and Universities and to the Minister of Labour (Mr. Elgie) for those details.

Mr. Cassidy: Supplementary, Mr. Speaker: The Treasurer now admits there are severe short-term problems affecting this province over the course of the winter. He has now had the opportunity to assess the federal budget and to find it is going to have an even greater impact in this province than had been anticipated a couple of weeks ago, is the Treasurer now prepared to bring in a mini-budget and short-term job creation programs this fall that will put Ontario's workers back to work this winter over this period of short-term difficulty?

Hon. F. S. Miller: The answer on the mini-budget is no, I am not prepared to bring one in this fall. I have attended one set of meetings in Halifax from which I have just returned. There we discussed the cuts I mentioned in my statement today. The exact level of those cuts is still to be confirmed. Since many of them depend upon projections into the future I am not sure anyone can quantify them exactly.

However, I have every reason to believe that when 10 provinces in this country unite as they did in Halifax and tell the federal government those cuts were not in the interests of the people of the country, it will listen. On December 14 and 15, we are meeting again with Mr. McEachen, so I have every reason to believe the cuts may not materialize. He responded at the meeting and said he would—

Mr. Cassidy: What about producing jobs?

Hon. F. S. Miller: The member asked me two separate questions, did he not? I have responded to the first one.

When we have layoffs in any of our industries—the automobile industry and the farm implement industry have been among the

most heavily hit—we are very concerned. I am sure the honourable member knows there is not a great deal one can do in the short term. One has to wait for an improvement in the market.

One of the brighter spots in our immediate economic future remains the gradual and steady interest rate decline. That has been seen by most economic observers as the main deterrent to consumer purchases. The rate came down fractionally today—I think eight one hundredths of a point. Most people are predicting it will continue to drop until we see something between 12 and 14 per cent in Canada and perhaps a little less in the US. I for one believe that will have a major impact on the short-term problems.

Mr. Smith: One has to wonder from that response how they can spend the money on Suncor instead of on things that could create jobs.

The Treasurer makes reference to the meeting with Mr. MacEachen on the equalization formula. Was he at all embarrassed that other finance ministers, notably the finance ministers of Newfoundland, Quebec and perhaps some others as well, did not want to have the new formula because the equalization payments would be tied to Ontario's economic performance as the average? Those two provinces said that since Ontario's performance might not be that good in the future they did not want to see their chance to get equalization payments jeopardized by this government's poor economic performance. Did the Treasurer find that at all embarrassing?

Hon. F. S. Miller: Mr. Speaker, what they said in public and what their real reasons were I think are quite different.

Mr. Smith: You are in the mind-reading business then, are you?

Hon. F. S. Miller: That member is. All he drew were blanks.

Mr. Smith: That's because we were reading your mind.

Mr. Speaker: Order.

Hon. F. S. Miller: It was obvious to see from the earlier discussions he never played football either because he sure would have missed the passes and fumbled the ball.

Mr. T. P. Reid: You played too long without a helmet.

Hon. F. S. Miller: I was coach and a goalie. They always shot a little below my head.

Mr. Cassidy: You are the Treasurer who passes the buck.

Mr. Wildman: You sure wouldn't get the most valuable player award.

Hon. F. S. Miller: It depends upon how they appraise the value.

Mr. Speaker: Order. Will the Treasurer respond to the question, please?

Hon. F. S. Miller: The truth is, Mr. Speaker, what Ottawa did with equalization was return it to its original purpose: that is, to give to provinces moneys to provide basic services. In choosing Ontario as the norm it eliminated the need for a two-tier system because it implicitly refused to recycle petrodollars. But the fact remains that the maritime provinces see themselves as potential owners of oil resources. In fact as we sat in Halifax, one of those big rigs was in the harbour being towed out by Petrocan to dig outside the harbour—where there is a by-election.

The new formula not only does not reward the provinces for oil revenues, since Ontario has none, but the moment they have oil revenues it reduces their equalization payments because it becomes a negative. That is the real reason some of the maritime and receiving provinces object to the Ontario standards.

Mr. Smith: That is certainly not what Mr. Collins and Mr. Parizeau said publicly.

AGRICULTURAL POLICY

Mr. Smith: I will ask the Treasurer a question on the subject of the Ontario Federation of Agriculture emergency task force report which undoubtedly he has had a chance to review now. Is the Treasurer aware that the report under the chairmanship of a man who was deputy minister for 11 years, Everett Biggs, says there is an emergency situation? It speaks of the disintegration of the agricultural industry. It talks about people losing their farms and about the need for urgent action on the part of the government.

One could put that together with remarks of the present deputy minister, Duncan Allan, who says the situation is serious: "Ontario's problem is it lacks an agricultural policy. It has not had one for years. . . Ontario is in danger of losing its most efficient farmers."

What in heaven's name is required before the Treasurer will finally move to prevent happening in agriculture what has been happening in manufacturing? When will he move in to support the whole field of agriculture, one of our most important industries, before there is further deterioration in that important sector?

2:50 p.m.

Hon. F.S. Miller: I am sure the Leader of the Opposition knows I attended a luncheon of the Ontario Federation of Agriculture.

Mr. Nixon: That will help.

Hon. F.S. Miller: It is true. It will help and they thought it would help. They were pleased.

I would argue that community has every reason to be concerned and the member knows it. They were polite and positive in their comments today, in my opinion. I explained to them the courses of action being undertaken, that this government is studying the Biggs report and will be reacting to it. The Minister of Agriculture and Food (Mr. Henderson) is not here today but he will be responding to that in due course.

Mr. Smith: The document says, "the Band-Aid solutions previously tried are no longer good enough," and adds, "There is an above-normal exodus of farmers through voluntary liquidation and bankruptcy and an increasing danger that a continuation of the present situation will sharply increase an already high exodus rate." Will the government assure us now it is at least prepared to accept the moratorium proposed on liquidations and foreclosures, and also to make available money at the interest rate recommended by this task force?

Hon. F.S. Miller: On the question of the moratorium, I answered that question at noon hour. I pointed out that I only had a brief examination of the report, having had it less than 24 hours. Consequently I was not able, and I am still not able, to answer the question about the law and the moratorium. I have asked for advice on that and I will get it.

Mr. Cassidy: A supplementary question, Mr. Speaker: I give credit to my colleague and friend the member for York South (Mr. MacDonald) who proposed the moratorium to the task force and had the recommendation accepted. Could the Treasurer say whether he has now had sufficient opportunity to consider the proposals our agricultural critic has been making, and which the task force has also endorsed, that the Province of Ontario Savings Bank should get into the business of providing credit at reasonable rates for farmers to help them stay in the business and get into the business?

Hon. F.S. Miller: Mr. Speaker, I have only looked briefly at that recommendation too. The real issue is not whether POSO will loan the money, it is at what rate. The fact remains they ask for a subsidized rate. Subsidization can be given to any source, so POSO is not essential to a subsidized rate.

Mr. Riddell: A supplementary question, Mr. Speaker: Last June, the Treasurer, the Premier (Mr. Davis) and the Minister of Agriculture and Food met with a group of farmers from across the province and told them they had \$100 million to help them with their problems. Of that, \$35 million has been spent to help the beef industry. The farmers are asking where the rest of the money is. At the luncheon today, the minister told them he would be coming forward with some assistance prior to the close of this session.

It would require only \$122 million to implement the task force recommendation for an interest subsidy program that would bring every Ontario farmer's interest rate down to 12 per cent through all short-, intermediate- and long-term loans. It would require less than \$100 million to help those farmers on the verge of bankruptcy and those not protected by supply management. How can the minister face the Ontario farmers and state his government cannot find money for such a program and yet can spend \$109 million on one year's interest cost alone for Suncor? What programs does he have in mind for the farmers?

Hon. F.S. Miller: Mr. Speaker, when did I say I could not? He has implied I said something at the meeting today that I did not say.

Mr. MacDonald: You said you would do it in June and did not.

Mr. Riddell: Will you have the money for the farmers before the end of the session?

Mr. Miller: I am not going to answer that today.

BILD PROGRAM

Mr. Cassidy: Mr. Speaker, I have a new question for the Treasurer about the BILD program and its effectiveness, particularly since the Treasurer has again suggested it is a long-term foundation and the government has talked about this as the economic blueprint for the province.

Is the Treasurer aware that in Kitchener-Waterloo the Budd plant is down to about 600 jobs from 2,600 in 1979, there have been 50 layoffs at Lear Siegler, 114 layoffs announced at MTD Products, Burns Meat is down by 30 employees, BF Goodrich has just announced 33 workers to be laid off, there have been eight layoffs at Dahmer Steel and 25 at Kuntz Electroplating? There are layoffs throughout the economy of that community.

If the Treasurer will not have a mini-budget

or a winter works program, will he say what the BILD program will do, or what the government intends to do, in order to stage a job creation program in the area of Kitchener-Waterloo?

Hon. F. S. Miller: Mr. Speaker, it is interesting that if we talk about short-term solutions, the members demand long-term ones. If we talk about long-term ones, they complain there are no short-term ones.

Mr. Smith: Tell the people they can have one or the other.

Hon. F. S. Miller: I did not imply that. I am simply saying one is attacked for whatever one happens to be doing on a given day.

We are doing a number of things. The members opposite talk a great deal about the need to provide research and development in Canada. The BILD document, through an auto parts technology centre, through a microcomputer centre, through a CAD/CAM centre, through a biotechnology centre, through an IDEA Corporation, is attacking the fundamental problems of industry and it is going to do so.

Mr. Cassidy: The minister failed to answer my question about what the BILD program was going to do in the long-term or in the short-term for the people in the Kitchener-Waterloo area. Perhaps he could comment on the failure of the only other government job creation program which would apply to that area, the development loans coming from the Ontario Development Corporation.

Is the minister aware that of the seven loans listed through ODC from 1979 to the present in the Kitchener-Waterloo area, three of the companies which were meant to create a total of some 60 jobs have vanished without trace, and another company in the hardware business has folded? Is he aware that instead of creating 117 jobs, from what we can establish only six new jobs have been created from the Ontario Development Corporation?

What credence are we to put on any promises about long-term job creation from this government when the ODC promised 95 jobs in the Kitchener area and came up with six?

Hon. F. S. Miller: The member has chosen one sector and one city. It is one of the finest and most productive cities in Ontario, and the member knows it. It has always had a reputation for an extremely competent, highly-skilled work force. It is a city I know very well because I spent a good part of my engineering time there, and knew almost every factory in that city. I bet

that is something the member could not say. I have been inside them, and I know how most of them run.

The fact is, if ODC did not have failures then we would have been backing too many sure bets. The purpose of ODC is to be the lender of last resort to offer opportunities for employment in this province to companies that have a fighting chance to succeed, and if we do not have a failure rate there we are being too cautious.

Mr. Sweeney: Supplementary, Mr. Speaker: The minister will realize a number of the plants in Kitchener-Waterloo have had to let their workers go because they have lost contracts. Those contracts are not going to be recovered in the same form. The minister will also realize that he and his colleagues have indicated the route to the future is in high technology. The minister will realize the only way many of those workers are going to get long-term jobs is if they are retrained for the new high-technology industries that are in the process of moving into that area.

Will the minister indicate whether he is prepared, in conjunction with his colleagues, to put money from his Treasury into that community to train people for those new jobs that are going to be required?

3 p.m.

Hon. F. S. Miller: Mr. Speaker, that question is best answered by my colleague the Minister of Colleges and Universities, and he knows it.

Mr. Sweeney: No, it is not.

Mr. Smith: It is in the BILD documents and you are the chairman of BILD.

Mr. Speaker: Order.

Hon. F. S. Miller: The fact remains that the details of a specific location still remain—the Board of Industrial Leadership and Development is an overseeing agency and the operating minister—

Mr. Smith: It's an overlooking agency.

Hon. F. S. Miller: One of the things that embarrasses the honourable member is that it has been the most successful campaign and program ever put forward in this province.

Mr. Smith: It overlooks rather than oversees.

Mr. Cassidy: Supplementary: Mr. Speaker, the minister's slip of the tongue revealed what BILD was all about when he said it was the most successful campaign. It was a campaign document and not an economic document. Everybody knows that.

My supplementary to the minister is this: He has just expressed confidence in how well things are going in Kitchener-Waterloo. Is the minister not aware the unemployment rate in Kitchener-Waterloo has been running at over eight per cent on average for the past year? In the month of October the unemployment rate in Kitchener-Waterloo was 8.7 per cent, compared with an average across the province of 6.3 per cent.

Is the minister not aware of the fact that the chamber of commerce in Kitchener-Waterloo has now made application to the federal government asking that Kitchener be designated a depressed area, and asking for an industrial labour adjustment program in the same way that Windsor has now been so designated? Could the minister not reply to the specific question, what will this government do in order to see that jobs are created, and created now, in Kitchener-Waterloo?

Hon. F. S. Miller: The honourable member has partly answered his question. He pointed out that the city has asked for the special federal assistance for cities with specific and deeper problems.

It is the business of the members on the opposite side of the House to keep on pointing out that the world is falling apart. The fact remains we still have more people at work in Ontario today than we had a year ago.

ASSISTANCE TO HOME OWNERS

Mr. Cassidy: Mr. Speaker, I have a new question for the Treasurer who seems to feel his job as Treasurer is to be the Pollyanna of the Ontario economy in always seeing good news.

My new question to the Treasurer relates to a recent announcement of the Toronto-Dominion Bank that it will insist that prospective home owners be given mortgages only if they can pay 20 per cent or less of their gross monthly income towards housing costs. The traditional role was to allow up to 30 per cent of their gross income to be paid towards housing costs.

Is the minister aware the impact of that will be that people will require a family income of \$72,500 to afford the average home available here in Metropolitan Toronto? Could the minister share with the House what he intends to do in order to ensure that home ownership is available for the half of the families in Toronto who earn less than \$30,000 a year, or for the 98 per cent of families across the province who earn less than \$72,500 a year?

Hon. F. S. Miller: The honourable member has asked variations of that question of my colleague, the Minister of Municipal Affairs and Housing (Mr. Bennett) for quite a while.

I do not intend to tell the lending agencies what rules they should use. The honourable member may, but I do not intend to do so. Frankly I would try another bank to begin with, and we have to remember the banks are only a small part of the mortgage field. They remain a small part. There are still a number of other people in the mortgage field who are offering a majority of the home mortgages in Canada.

Mr. Cassidy: Supplementary: Since the trust companies are now indicating they are considering the T-D's policy with a view to following it, is the minister not aware that even for the most modest mortgage in the Toronto area a family will need an income of \$48,000 a year to afford the mortgage, compared with an income of \$33,000 they would have required before? What action does the government intend to take if all mortgagors follow the lead of the Toronto-Dominion Bank and effectively remove any remaining hope of home ownership from people who should have the right to have a house here in Ontario at a price they can afford?

Hon. F. S. Miller: The honourable member really believes there is no competition in the lending field, as in any other field. Of course there is. I have great faith in the free market. I have great faith in the ability of other lenders to offer terms and conditions to attract borrowers. They need borrowers far more than they need investors. They need people willing to borrow money from them at whatever is a reasonable rate at the given time, and in fact they have to be sure the risk is reasonably secure. If one agency becomes too stringent in its terms I have every reason to believe other agencies will fill the vacuum.

Mr. Cooke: Mr. Speaker, I would like to ask the Treasurer whether he is aware that the Toronto-Dominion Bank, besides being very restrictive now about whom it is going to give mortgages to, is moving in much more quickly than any other financial institution to foreclose and to force companies into receivership on those loans it already holds?

An example is the Southland Canning company, which was raised here the other day, and our position was backed up by the Minister of Agriculture and Food (Mr. Henderson), who was quoted in the *Globe and Mail* the other day as having said, "I think the bank got in in a hurry

on this particular receivership." They did the same thing with Champion Real Estate, they did the same thing with Major Real Estate and they are doing the same thing with mortgages.

Is the Treasurer aware of that, and what is he prepared to do? Will he not intervene to set down some fair guidelines so that they do not close down on companies and then leave the community to pick up the pieces?

Hon. F. S. Miller: Mr. Speaker, I think the honourable member forgets that banks are chartered by the federal government.

Mr. Mancini: Mr. Speaker, will the Treasurer of Ontario at least convene a meeting with the heads of the banks that operate here in Ontario and express to them our concern that they are so trigger-happy with certain companies which might be able to continue to operate in these tough economic times if they were given an opportunity to survive until interest rates, which I hope will continue to decline, get back to historical levels?

Will he convene a meeting with the heads of the banks and tell them to stop being so trigger-happy and let these corporations and small companies try to readjust themselves internally so they can continue to operate and continue to employ our people?

Mr. Peterson: Very reasonable, very reasonable.

Hon. F. S. Miller: Mr. Speaker, I hear the honourable member for London Centre saying, "Very reasonable, very reasonable." I hope he repeats that kind of thing when he goes around the business community eliciting support for his leadership campaign.

Interjections.

Mr. Speaker: Order.

Hon. F. S. Miller: First of all, my understanding is that the federal minister has done so, and it is his jurisdiction.

MOHAWK COLLEGE

Mr. Nixon: Mr. Speaker, I have a question for the Minister of Education, which I have given her notice of. The minister is now aware of the shocking statistics made public by Mohawk College of Applied Arts and Technology showing that young people in Brantford and in Brant county participate in post-secondary education up to 30 per cent less on the average than other young people in Ontario.

Can she tell the House what she is going to do to improve the availability of post-secondary education in that area, since it has now been

shown to be afflicted with layoffs and industrial depression more than any other community in the province?

Hon. Miss Stephenson: Mr. Speaker, the 22 community colleges within that system in the province have at this point 97 campuses. In most instances these colleges have campuses in other areas that are relatively remote from the main campus of the college. I think it would certainly be appropriate for Mohawk college to look very sympathetically at the possibility of utilizing existing space in Brantford to provide programs there, and I am sure this could be done within the budgetary allocation that is provided for this college.

Mr. Nixon: Since Mohawk College has a budget that is fairly well locked in over a period of years, since it must serve the heavily industrialized and highly populated city of Hamilton and Wentworth county and down into the Niagara Peninsula to some extent, and since this affects the city of Brantford, which has no university facilities whatsoever except a few off-campus lectures and a completely inadequate community college facility, would the minister not feel this is an area where she and some of her colleagues who have a special interest in trying to assist the community of Brantford in these especially difficult economic times might make a special grant—particularly since a program enunciated by the mayor and the warden in a special task force indicates that \$10 million would be a reasonable first step, and she could even think of that as less than one jet plane's worth?

3:10 p.m.

Hon. Miss Stephenson: Mr. Speaker, since the impetus for this kind of program comes almost invariably from the community, I am delighted to hear that the mayor and the warden are moving in the direction of urging Mohawk to expand in that direction. It is unusual, as a matter of fact, that a municipality the size of Brantford within the catchment area of a community college is not more widely served by that college than Brantford is at the present time. But there are many programs of which Mohawk may take advantage at this point through its community industrial training council—I believe there is one established in Brantford—which relates specifically to both the school system and the community college system and through which, I think the honourable member should know, as a result of Board of Industrial Leadership and Development activ-

ity, 12,287 training positions involving 271 companies have been created since September 1981 for the retraining and upgrading of people in Ontario whose jobs have become redundant. And that is just the beginning.

Mr. Breithaupt: Would the minister table the location of these jobs?

Hon. Miss Stephenson: Yes. I have not got it here, but I will get it for the member.

Mr. Grande: Mr. Speaker, can the minister inform this House whether the Ministry of Colleges and Universities and the Council of Regents in this province, along with the committee of presidents, is right now deciding to restrict enrolments in the community colleges around this province?

Hon. Miss Stephenson: Mr. Speaker, the honourable member is entirely wrong. He is referring to a letter sent by the president of the committee of presidents to the task force within the ministry looking at the growth of the college system. There is no such recommendation being considered by the Ministry of Colleges and Universities at this point.

Mr. Grande: Mr. Speaker, on a point of privilege: I have a document here, and the minister can say it is from the committee of presidents and she is correct, which indeed says that the Ministry of Colleges and Universities, the Council of Regents and the committee of presidents should achieve this particular stated goal of restricting enrolments in our community colleges by December—

Mr. Speaker: Order. That is not a point of privilege.

Hon. Miss Stephenson: Let me see the document.

COLLECTIVE BARGAINING

Mr. Mackenzie: Mr. Speaker, I have a question of the Minister of Labour.

Hon. Miss Stephenson: There is no such document.

Mr. Mackenzie: If I can have the attention of the Minister of Labour, and if the Minister of Colleges and Universities will pipe down for a minute—

Hon. Miss Stephenson: I do not know why I should. You never do.

Interjections.

Mr. Speaker: Order. The member for Hamilton East has the floor.

Mr. Mackenzie: May I draw the minister's

attention to the growing practice of international corporations, particularly with branch plant operations, using exports to undermine both the collective bargaining process and legal strike situations.

Is the minister aware, for example, of the long strike at Canadian Home Products in Niagara Falls, where they have been out since August, and the US parent company, American Home Products, has used the export of Chef Boy-ar-dee products to their Canadian customers from the American plant literally to thumb their nose at collective bargaining in the Canadian operation and to prevent a settlement, when the workers at the Canadian plant are running better than \$2 an hour behind the major organized canneries in southwestern Ontario? Does this growing practice, of which there are other examples, not concern the minister, given its implications in regard to effective and free collective bargaining?

Hon. Mr. Elgie: Mr. Speaker, I am not aware of the particular strike the honourable member referred to, nor am I aware that there is such a prevalent practice. I am aware, as he is, that when there is a strike situation each party tries to survive as best it can. In the one case, we have those on strike with strike pay, and some getting part-time jobs. On the other hand, we have a company trying to survive, either using products it has stored up or importing other products. I guess the question the member asks is whether that is something that is appropriate, and I have to say my first impression is that I do not think it is.

Mr. Mackenzie: Would the minister then agree to take a special look at the Canadian Home Products plant and the strike situation in Niagara Falls, and others that we may bring to his attention that may be in the same kind of a situation? I think Wabco in Stoney Creek is another perfect example.

Would he see if measures can be taken to prevent such undermining of the rights of workers to free and collective bargaining and also to the undermining of a legal strike situation? Would he see if some action can be taken under the Labour Relations Act in Ontario.

Hon. Mr. Elgie: I am sure the member knows full well that mediators are always in contact with the parties when there is a strike, and whenever their assistance is desired it is given. I certainly will be glad to look into it from that point of view.

Mr. Kerrio: Mr. Speaker, would the minister have any idea as to whether the bilingual labels that are being used in that American plant are being shipped down from its Canadian counterpart and if there is any breach of the regulations as it relates to that kind of an involvement?

Hon. Mr. Elgie: No, I do not know.

WINTER WORKS PROGRAM

Mr. Yakabuski: Mr. Speaker, I have a question of the Treasurer, and I am a little reluctant to ask it after all the questions he has had today. However, given the importance of the matter, I feel forced to do so.

The Treasurer and his counterparts from across Canada were meeting with the federal Minister of Finance on the east coast on Monday and Tuesday, and I am wondering if the matter of a winter works program came up on the agenda. If the Treasurer will remember, back in the good old days we had what we called a winter works program. This was junked shortly after the Trudeau government came to power. The winter works program was administered by the municipalities, because no one is as close to the problem or knows the answer to the economic problems of municipalities—

Mr. Speaker: Order. Does the member have a question?

Mr. Yakabuski: —as the municipalities. I am wondering if the provincial Treasurers down in Halifax gave consideration to a good old fashioned bread and butter winter works program for 1981-82.

Hon. F. S. Miller: Mr. Speaker, no they did not. This province made a few pleas at the end of the meeting, under the fifth agenda item called “other business,” for a re-examination of job stimulation and other measures that I believe fundamentally are disincentives to investment in this country, like investment averaging annuities, interest deductibility, those kinds of things, because those are measures which cause people to create jobs and take risks.

However, the federal government, while not saying it would not help us, did not give us any expectation that it would.

SITE FOR VOLKSWAGEN PLANT

Mr. Wrye: Mr. Speaker, I have a question for the Minister of Industry and Tourism and I raise it in the knowledge that my friend from Windsor-Riverside (Mr. Cooke) has already touched on some of these matters in one of his world-famous open letters.

Given the fact that the agreement with the federal government giving Volkswagen duty remission was concluded even before Ontario opened discussions with Volkswagen in terms of incentive grants, and given that to get a duty remission agreement from the federal government Volkswagen had to commit itself to locate in Canada, specifically in Barrie, and had committed itself to that very site, can the minister explain why the Treasurer (Mr. F. S. Miller) stated in this House on November 13 that Ontario almost lost the deal to the United States, when clearly the decision to locate in Canada was already finalized?

Will he explain what the people of Ontario are going to get for the \$9.2 million handout that was given after the decision to locate in Barrie was already made?

Hon. Mr. Grossman: Mr. Speaker, let me say right off the top, the member ought to remember the fact that, as we have been indicating for some time in this House, our negotiations with Volkswagen did not begin after the duty remission program was agreed to, but began several years ago.

3:20 p.m.

Secondly, agreement in principle was worked out with this government at about the same time when agreement with the federal government on the duty remission was worked out. The two of them were operating in tandem, because there was a certain point at which Volkswagen found it more profitable to build a plant here and source from other auto plants here rather than just source from a variety of American plants in the United States for that plant.

There is no question about the fact that the federal duty remission program was worth a certain amount of money. I do not think anyone who was involved in the negotiations will deny the fact that given the duty remission program as negotiated in tandem with ours it still had not reached a situation where Volkswagen, which will probably lose money in its operations in total this year, would have found it viable to locate anywhere in Canada.

The reason we almost lost it is because the federal government had dilly-dallied so much at the end by trying to move Volkswagen to an uneconomic site—a site that Volkswagen did not want to go to—that Volkswagen almost threw up its hands and said, “We cannot wait any longer because we have to begin to ship parts in about 24 months”—I think it is 24 months, but I stand to be corrected—“and

therefore if a decision is not taken which will allow us to begin to make parts right now, then we will simply take the option which Canadians do not want us to take, which is to source auto parts from a variety of American-owned and American-located plants.”

I might also take this opportunity to say to the member—and I know his special interest in Windsor—that we would have fought just as hard for Windsor or Cambridge or any other municipality in this province had Volkswagen decided that other municipality was the most competitive place for it to carry on business in this province. We fought very hard for Volkswagen and we were successful.

I will say to the honourable member, I do not think it is helpful to Windsor or to any other community in this province to suggest that this government gives away money when it is not necessary to give it away. There was a very tough competition for that Volkswagen plant and I suggest, with all due respect, that had we landed that Volkswagen plant for Windsor, had Volkswagen selected Windsor, he would not be up on his feet complaining about the fact that we gave the company \$9.2 million to locate in Ontario. So just be fair to workers all over this province.

Mr. Wrye: Mr. Speaker, I would just like to ask the minister something regarding Windsor. A confidential document written by Volkswagen on August 12 of this year, cited in the Windsor Star one day after the questions were asked of the Treasurer, says:

“It is likely”—and I am quoting from the document as it was contained in the Windsor Star—“provincial assistance may not be forthcoming in the case of Windsor.” Given that comment in an internal Volkswagen memorandum, would the minister tell the House whether Volkswagen was told that grant money would be made available if it located in any of the possible Ontario sites, including Windsor and Cambridge? Since the minister has said he was fighting just as hard for those two cities as he was for Barrie, will the minister table in this House any correspondence making such an offer to Volkswagen?

Hon. Mr. Grossman: Mr. Speaker, our offers were contained in face-to-face negotiations between my staff and Volkswagen and ultimately in negotiations between myself and a senior official of Volkswagen. May I point out that what the member has read is a document wherein Volkswagen speculates that assistance may not be forthcoming from the province for a

location in Windsor. I would remind him that by August 12, or whatever date he mentioned in August, it had already become quite clear that Volkswagen was desirous of locating in Barrie, indeed was insisting upon locating in Barrie. That is the way it was.

Secondly, it was clear that the federal government was prepared to spend tens of millions of dollars to move them to another site. At no time did Volkswagen or anyone else come in to see us with any serious discussions or negotiations about any other municipality.

Volkswagen's position through the piece was that the federal government had to allow the company to go to Barrie. Therefore, Volkswagen decided it would not undertake serious negotiations with us with regard to any other site. As the member will understand, Volkswagen would have been faced with a series of requests from us to prove the extra cost of locating in Windsor, Cambridge or wherever. It took \$9.2 million in the Barrie location. Their extra costs of locating in Ontario might have been higher or lower had the vacant Hayes-Dana plant been in Cambridge or in Windsor. Therefore, it could be that the level of our assistance might have been different to land them in another community.

We could not change the fact that the Hayes-Dana plant was in Barrie. I am delighted there was such a facility in Ontario. In fact, as the members will recall, the New Democratic Party criticized us for providing some employment development fund assistance to get Hayes-Dana to build that plant, which ultimately, though quite unexpectedly, allowed Volkswagen to find some accommodation here in Ontario.

I want to make it absolutely clear so that the member does not misinterpret what I am saying. I know he has always tried to be reasonably fair and balanced in this. Unlike the open letter writer, he tries to be fair and balanced in these things. May I say very simply that Volkswagen did not approach us and ask what level of assistance we thought we might be able to provide had they decided to take the federal government up on a large offer to locate in Windsor.

Mr. Cooke: Supplementary, Mr. Speaker—and to the member for Windsor-Sandwich, I will carbon copy him on my letters in the future so he does not have to wait two and a half weeks to raise it—I would like to ask the minister how the Volkswagen people received the impression from this document that the provincial government was not prepared to encourage them to

come to Windsor or to make the same type of grant available if they came to Windsor, and therefore made Windsor uneconomical right from the beginning? They received that impression from somebody and it had to be someone in the ministry.

Second, it says in this document, "Volkswagen is willing to consider such investment in return for freedom of duty at the site of its economical and operational preference." That statement indicates, as does this whole document, that they were willing to come here for duty remission and not for a grant from this government. What did the government get in return for its \$9.2 million? When is the minister going to table in this House the agreement signed with Volkswagen for the \$9.2 million?

Hon. Mr. Grossman: Mr. Speaker, I am amused by the member's question because he said there is evidence—I forget how he phrased it—that the location in Windsor was uneconomic from the beginning.

Interjections.

Hon. Mr. Grossman: Relax. It was uneconomic from the beginning. He then went on to say they could only have received that information from my ministry. I know the member has an extremely high regard for the capability of my people to make business decisions. However, it may astonish him that the Volkswagen people have a fair amount of economic experience as well. They are the ones, not my ministry, who looked around at the alternative sites in this province. They are the ones who concluded that the most economic place for them to go was Barrie. They are the ones who concluded that Barrie was the site they had to have in order to locate in Ontario.

I thank the member for the high regard in which he holds our economic judgement and, quite frankly, it is justified. But I must tell him, in this case it was not the government telling Volkswagen that Windsor was not the place to go, it was Volkswagen telling Volkswagen.

In one of his open letters to me, I hope the member will explain why he thinks it is constructive to encouraging more investment in Windsor to continually stand up and remind the world that Volkswagen decided to go to Barrie.

EMPLOYEE HEALTH AND SAFETY

Mr. Martel: Mr. Speaker, I have a question for the Minister of Labour regarding ITT Aimco. I remind him that he has failed to respond, as he promised, to the questions I raised several weeks ago.

In view of the fact that the minister's own figures indicate there have been 12 physical inspections of ITT, 39 orders issued and 85 contraventions of the act—by the way, the union says 99 contraventions—will the minister supply to me the material which his assistant Mr. Basken refused to?

We asked for the following information: the specific orders outlining detailed violations of the act; the number of orders which are repeat violations; the number of directions, letters or other notices of violation which the minister co-operatively attempted to rectify with the company; the specifics of these, and the number of prosecutions against ITT. I received only one page when we requested all that information. Will the minister supply the information I requested?

3:30 p.m.

Hon. Mr. Elgie: Mr. Speaker, I will be glad to make inquiries and determine what, if any, were the reasons behind the refusal. There may be something in the act that precludes the officer, the investigator or any of the staff from giving that information, but if there is nothing to preclude it I will be pleased to see that it is forwarded to the member.

Getting back to the question of whether or not I have answered the member's question, he will recall I did respond to the issue of whether or not there had been any contraventions and so forth, but with respect to the particular issue he raised of a workman who had refused to work and there was a question of some injuries, I would like to think the fact that I set up a meeting involving Mr. Basken from the occupational health and safety division, Dr. Robinson, the member himself, as well as representatives of the union, to discuss these very issues and then carry out investigations as a result of that, really is responding to the issue.

I trust he agrees with that, because I thought that was really a very direct way of trying to deal with the problem that I know he feels very seriously about.

Mr. Martel: What bothers me with this particular company, and the minister will be aware of this, is that last year there were 116 accidents and there are only 400 employees. This year there are more than that already. Of the violations, 40 are repeat violations of not having equipment guarded and five are violations for guardrails. I want to know how many times a company can violate the act in the same

manner before the minister is prepared to prosecute? How many times can one violate the act before he is prepared to move?

Hon. Mr. Elgie: I do not think one should lay down a rule. I think one should assess each situation and take it on its own merits. I think anybody who is as concerned about the issue as I know the member will know the number of prosecutions this year is up from last year. But surely that is not the purpose of it all. The purpose of it all is to make the work place better and safer. That is what we are trying to do now with the meetings that are taking place with Mr. Basken who, as the member knows, has had considerable experience with improving relationships and making the internal responsibility system work. That may be the real issue here. If it is, surely that is the best way to address it.

McMICHAEL CANADIAN COLLECTION

Mr. Hodgson: Mr. Speaker, I would like to ask a question of the Minister of Culture and Recreation. I am very concerned about the reports in the press, also the reports within the community that I represent, concerning Mr. and Mrs. Robert McMichael. It is reported that the Ministry of Culture and Recreation is turning them out on the street. What is the ministry doing for living accommodations for the McMichaels?

Hon. Mr. Baetz: Mr. Speaker, when those press reports were brought to my attention I immediately got in touch with the chairman of the board of the McMichael gallery, because obviously that was a rather serious point of concern. He has advised me that quite some months ago the McMichaels were told by the board of directors of the gallery that during the renovation period the board would support them if they found an apartment of their choice, which they have now done at a rental cost of \$1,600 a month.

In addition to that, they will receive moving expenses to and from Kleinburg. I just want to assure the member for York North that the McMichaels will be living very comfortably during the period of renovation.

Mr. Laughren: Mr. Speaker, rather than demeaning himself and the entire McMichael Canadian Collection corporation with these diatribes, will the minister explain to us why he did not release the report surrounding problems

with the McMichael collection for the last number of years? Why has he not tabled them today as he promised to do?

Hon. Mr. Baetz: That is not a supplementary question, Mr. Speaker.

Mr. Speaker: Will all respect, that is a new question.

NIAGARA RIVER POLLUTION

Mr. Kerrio: Mr. Speaker, I have a question for the Minister of the Environment. Is the minister aware that SCA Chemical Waste Services is basically asking for the same thing it asked for in 1979? In 1979, the government did not act. If it had, that pipeline might not have been in that lower river today. I pleaded with Dr. Parrott at that time to intervene.

Mr. Smith: The Minister of Culture and Recreation is a slimy, slimy character; that's what he is. How many months is that for? We know the figure he wants to get on the record. How many months is that for?

Mr. Speaker: Order. With all respect, the member for Niagara Falls has the floor. He will please proceed.

Mr. Kerrio: The minister may recall that at the time I pleaded with Dr. Parrott to intervene and oppose that pipeline installation. In the Ministry of the Environment estimates, I said his weight would mean a great deal in the area, and he responded, "Sure it would, but it would be absolutely wrong, because they have jurisdictional control; and that is the way it should be."

Is it not ironic that in 1979 his ministry did not become involved, yet the Deputy Premier (Mr. Welch) did and suggested that we should keep the waste out of our river, that there should not be one more drop? His ministry did not intervene in 1979 because a report from the ministry concluded the project would have a negligible effect on the water quality of the Niagara River.

Mr. Speaker: Do you have a question?

Mr. Kerrio: Yes, I do; and it is a very important question, Mr. Speaker.

Mr. Speaker: Please proceed.

Mr. Kerrio: At this moment they are building a pipeline. Is the minister aware that they are building a pipeline to bring water to Niagara by an alternative route? What events have occurred to prompt him finally to take action in this important matter? What has changed?

Hon. Mr. Norton: Obviously, Mr. Speaker, I do not have particular knowledge of the various

pleadings the honourable member might have engaged in with my predecessor. I do not have time to read all the back Hansards, unfortunately. I am sure it would be interesting reading.

There is a significant difference between the time he referred to and the present with respect to SCA's present application. At the time the previous proposal was before us, there was an analysis done by our staff of the technology involved, the treatment process and the levels of permissible material to be included in the permit. On the basis of the work done by our staff, we concluded, and Environment Canada did as well, that it was not a hazard, it would not have an impact upon drinking water quality.

What we are faced with at this time is a specific application for a relaxation of the standards to allow higher quantities of contaminants to be discharged into the river. In view of the knowledge I have from recent reports of the high level of the total discharge into that river system from the American side, I have decided we ought not to tolerate any relaxation but ought to be pressing for a tightening of standards in the United States and a reduction of the contaminants discharged into the river. That is the difference.

Mr. Kerrio: The minister is saying, "Not another drop." The fact that the first installation was going to have diffusion nozzles out in the river is evidence enough that they were trying to dilute it.

I ask another question that is important and significant. Does the minister not think he should have asked the federal minister to join with him this time? As late as 11:30 a.m. today, the federal minister did not know this minister was deciding he might take some important action in this case.

Does the minister not think he would have been well advised to have made it a team effort and brought everything to bear so that he would make a better case; that is, if he had had the minister from the federal government in conjunction with him to make a much abler case on behalf of Ontario and Canada?

3:40 p.m.

Hon. Mr. Norton: First, with respect to diffusion nozzles, they are an important part of the technology. If one is going to be discharging a substance into a waterway—

Mr. Kerrio: Yes, they are used to dilute.

Hon. Mr. Norton: Precisely: to minimize the impact it might have in a concentrated form on

an individual fish. That makes sense, if the member would apply his mind to it for a moment.

Mr. Kerrio: Oh, I know exactly why they do it.

Hon. Mr. Norton: That is an important part of the technology. However, that is not to say that I like it, but that I understand it.

With regard to the Honourable John Roberts, I was in contact with his office this morning. He was advised that I would be making this statement prior to coming into the House. Copies of two letters I was sending to him were telexed to his office, I believe before noon.

My staff are attempting to arrange an early meeting between Mr. Roberts and myself. Maybe a copy of the letter was appended to the statement. The latest I have heard from my staff is that there is a good possibility I may have the opportunity of meeting with Mr. Roberts in Toronto next Monday.

I have indicated in my letter to him a desire to see the federal government work with us in this, although I also understand from our experience on the acid rain issue that there are certain kinds of initiatives the federal government are hesitant to take. I can understand why. For example, it might be easier for a provincial government to intervene in a court or before a tribunal in the United States than it would be for the federal government, from a purely diplomatic point of view.

I would like to see the federal government co-operate in every way possible. There are some things it can do that we cannot, in terms of relating at the diplomatic level to the Secretary of State in the United States. I would hope it would do that. If it is able to participate with us in the interventions, I will warmly welcome its help.

IRWIN TOY DISPUTE

Mr. Mackenzie: Mr. Speaker, on a point of order: On Tuesday, the rather serious matter of the Irwin Toy situation and the company's thumbing of its nose at the law in Ontario was raised in this House. The Premier (Mr. Davis) indicated there would be a statement from the Minister of Labour. I am wondering if and when that will be forthcoming.

Hon. Mr. Elgie: Mr. Speaker, I apologize. I happened to note in my book that this question had been asked. If there is time, I can respond at the moment, Mr. Speaker; whatever you wish.

Mr. Speaker: Question period is over.

Hon. Mr. Elgie: I can respond on Monday.

REPORTS

STANDING COMMITTEE ON GENERAL GOVERNMENT

Mr. Gordon from the standing committee on general government reported the following resolutions:

That supply in the following amounts and to defray the expenses of the Ministry of Municipal Affairs and Housing be granted to Her Majesty for the fiscal year ending March 31, 1982:

Ministry administration program, \$10,421,000; community planning program, \$67,724,000; land development program, \$13,674,000; community development program, \$36,148,000; Ontario Housing Corporation program, \$131,992,000; Ontario mortgage program, \$6,497,000; ministry administration program, legal services, \$310,000; municipal affairs program, municipal affairs, \$372,585,600;

That supply in the following supplementary amounts and to defray the expenses of the Ministry of Municipal Affairs and Housing be granted to Her Majesty for the fiscal year ending March 31, 1982:

Ontario mortgage program, \$5,000,000; municipal affairs program, \$17,198,000.

STANDING COMMITTEE ON ADMINISTRATION OF JUSTICE

Mr. Treleaven from the standing committee on administration of justice presented the following report and moved its adoption:

Your committee begs to report the following bills without amendment:

Bill Pr9, An Act to revive Bankfield Consolidated Mines Limited.

Bill Pr15, An Act to revive the Burford Lions Club.

Bill Pr19, An Act to revive Jacinta Investments Limited.

Your committee would recommend that the fees, less the actual cost of printing, be remitted on Bill Pr15, An Act to revive the Burford Lions Club.

Motion agreed to.

INTRODUCTION OF BILLS

McMICHAEL CANADIAN COLLECTION AMENDMENT ACT

Hon. Mr. Baetz moved, seconded by Hon. Mr. Elgie, first reading of Bill 175, An Act to amend the McMichael Canadian Collection Act.

Mr. Speaker: Shall the motion carry?

Some hon. members: No.

Mr. Renwick: On a point of order, Mr. Speaker: Does the minister have any further statement to make about his bill before the motion is put to the assembly?

Hon. Mr. Baetz: Mr. Speaker, I am prepared to reread—

Interjections.

Mr. Speaker: Order. With all respect, the member for Riverdale stood up. I had read it and called for the motion to be carried—

Mr. Nixon: You don't debate first reading, do you?

Mr. Renwick: Before you called for the motion to be carried, Mr. Speaker, I tried to catch your eye, because you generally do not give us time to consider the motion. I was simply asking whether, before the motion was put, the minister, on reflection, wanted to correct or add to anything he had said in his previous statement.

Mr. Speaker: No. The member for Riverdale is out of order.

Mr. Renwick: Mr. Speaker, on a point of order: I refer to standing order 32(b), which reads: "The motion for introduction and first reading shall be decided without amendment or debate, but in the case of a public bill the mover may make a brief explanation of its purposes." On that point of order I asked whether the minister wanted to make a brief explanation or correction of the statement he had made earlier in the day. I say, Mr. Speaker, that my point is quite in order.

Interjections.

Mr. Speaker: Order. I think that when he introduced the bill the minister did make a statement.

Hon. Mr. Wells: Mr. Speaker, on a point of order: I think the honourable member is aware that the current practice and procedure in this House is that if a statement on introduction of a bill is to be very short, perhaps categorized as about a page long, the minister will make it at the time the bill is introduced when he is asking for first reading. If the statement is to be longer than that, it is made during ministerial statements.

My colleague made a ministerial statement today of about 15 minutes concerning this bill. Therefore, that is the introductory statement for first reading of this bill. I submit to you that everything is in order and that the rules make it very clear that there should be no debate on first reading.

Mr. Renwick: Mr. Speaker, may I speak again to the point of order? The practice has become immensely sloppy, if I may use that word. The House has become sloppy in its procedure when a bill is introduced for first reading, because you immediately move the motion for first reading and then call on the minister or the mover to make the statement.

I was simply asking, in accordance with the rules, whether the minister on reflection, after having made that very lengthy statement at the opening of the House, now wanted to correct any of the misinformation that was contained in that statement at the appropriate time when he was introducing the bill.

3:50 p.m.

Mr. Speaker: I suggest again that the member for Riverdale is out of order. If I may refer to standing order 32(b), it says very clearly, "The motion for introduction and first reading shall be decided without amendment or debate, but in the case of a public bill the mover may make a brief explanation of its purposes." With all respect, he did make a statement—

Mr. Renwick: That's what I'm asking.

Hon. Mr. Wells: He made his explanation.

Mr. Speaker: Order. It is a permissive regulation. The minister did not indicate in any way that he wanted to make a statement; all he has to do now, if he wishes to do so, is to indicate whether or not he does.

Hon. Mr. Baetz: Mr. Speaker, in view of the fact that I made a very lengthy statement, I do not feel anything could be added at this point to make it very forceful.

Mr. Speaker: Thank you.

4:30 p.m.

The House divided on Hon. Mr. Baetz's motion for first reading of Bill 175, An Act to amend the McMichael Canadian Collection Act, which was agreed to on the following vote:

Ayes

Andrewes, Ashe, Baetz, Bennett, Brandt, Cousens, Cureatz, Davis, Dean, Drea, Eaton, Elgie, Eves, Fish, Gillies, Gordon, Gregory, Grossman, Harris, Havrot, Hodgson, Johnson, J. M., Kells, Kennedy, Kerr, Kolyn, Lane, Leluk, McCaffrey, McCague, McLean;

McMurtry, McNeil, Miller, F. S., Mitchell, Norton, Piché, Pope, Ramsay, Robinson, Rotenberg, Runciman, Scrivener, Sheppard, Stephenson, B. M., Sterling, Stevenson, K. R., Taylor, G. W., Timbrell, Treleaven, Villeneuve, Walker, Watson, Wells, Williams, Yakabuski.

Nays

Boudria, Bradley, Breauth, Bryden, Charlton, Cooke, Copps, Di Santo, Eakins, Edighoffer, Elston, Epp, Grande, Haggerty, Kerrio, Laughren, MacDonald, Mackenzie, Mancini, Martel, McClellan, McEwen;

McGuigan, McKessock, Miller, G. I., Newman, Nixon, O'Neil, Philip, Reid, T. P., Renwick, Riddell, Roy, Ruprecht, Ruston, Samis, Smith, Spensieri, Swart, Sweeney, Van Horne, Wildman, Worton, Wrye.

Ayes 56; nays 45.

CO-OPERATIVE CORPORATIONS AMENDMENT ACT

Hon. Mr. Walker, seconded by Hon. Mr. Gregory, moved first reading of Bill 176, An Act to amend the Co-operative Corporations Act.

Motion agreed to.

Hon. Mr. Walker: Mr. Speaker, it appears necessary to read a statement. The present Co-operative Corporations Act permits conversion of a co-operative to a corporation under the Business Corporations Act if authorized by resolution of the board of directors, which receives confirmation by at least three quarters of the votes cast at a general meeting of the members duly called for the purpose.

Another provision in the act permits 10 per cent of the members to requisition the directors to call a meeting to pass any resolution that may be passed at the directors' meeting, such as the resolution noted above to convert from a co-operative to a business corporation.

If the directors do not pass the resolution and call a meeting of members to confirm it, any of the requisitionists may call such a meeting to confirm the resolution in the usual manner. The net result of the above is that a conversion of a co-operative to a business corporation could be effected by as few as 10 per cent of the members requisitioning a meeting and an even smaller proportion voting for the conversion at a meeting.

The purpose of the bill is to require that 60 per cent of the members of a co-operative must confirm in writing any resolution to convert a co-operative to a co-operative with or without share capital or a corporation to which the Business Corporations Act applies or to which part III of the Corporations Act applies.

CANADIAN REFORMED THEOLOGICAL COLLEGE ACT

Mr. Kerr, seconded by Mr. McLean, moved first reading of Bill Pr42, An Act respecting the Theological College of the Canadian Reformed Churches.

Motion agreed to.

4:40 p.m.

Mr. Kerr: Mr. Speaker, this bill makes it possible for the theological college—

Mr. Speaker: Order. It is a private bill, apparently, and does not need any explanation.

RESIDENTIAL TENANCIES AMENDMENT ACT

Mr. Kolyn moved, seconded by Mr. Sheppard, first reading of Bill 177, An Act to amend the Residential Tenancies Act.

Motion agreed to.

Mr. Speaker: Introduction of bills—

An hon. member: How about an explanation?

An hon. member: He's supposed to give an explanation.

Mr. Speaker: All right. The member for Lakeshore.

Mr. Martel: Take it off the top of your head.

Mr. Kolyn: I beg your pardon?

An hon. member: Who wrote it for you?

Mr. Kolyn: Oh, I know where it is. I just wanted to hear what the member had to say about it.

Mr. Speaker, the bill prohibits officers and employees of the Residential Tenancy Commission from acting as advocates in hearings before the commission for a one-year period upon leaving the commission. The maximum penalty is \$10,000.

Mr. Philip: On a point of order, Mr. Speaker: I thought that under the House rules the same bill could not be introduced in the same session of the Legislature. In fact, I introduced that bill on Tuesday; the only difference is the time period, and I suggest that this bill should not be tabled.

Mr. McClellan: You can't steal somebody else's bill.

Mr. Martel: That's pure plagiarism.

Mr. Speaker: Order. It really does not make any difference, apparently. The bills are not the same.

Mr. Philip: On a point of order, Mr. Speaker: It is the second bill he has stolen from me in something like three months.

Mr. Speaker: I can sympathize with the member, but it is not a point of order.

Interjections.

Mr. Speaker: Order. May we have the permission of the House to revert to reports?

Some hon. members: No.

ORDERS OF THE DAY

PRIVATE MEMBERS' PUBLIC BUSINESS REGIONAL DEVELOPMENT

Mr. McLean moved, seconded by Mr. Kolyn, resolution 29:

That this House urge the federal Minister of Regional Economic Expansion to extend the benefits for regional development to include the northern part of Simcoe county, the district of Muskoka and the northern parts of Grey county.

Mr. Speaker: I want to point out to the honourable member that he has up to 20 minutes for his presentation, and he may reserve any portion of that time for his windup.

Mr. McLean: Mr. Speaker, I rise in the House today on a matter of grave concern to me and my constituents. The resolution I am putting before this chamber asks the honourable members to assist me in respectfully urging the federal Minister of Regional Economic Expansion to extend the benefits for regional development to include the northern parts of Grey and Simcoe counties and the southern part of Muskoka county.

There is simply no issue of greater and more immediate importance to my constituents than the issue of economic development. Statistics clearly show the southern Georgian Bay region is experiencing a level of economic hardship unseen in decades. Unemployment, population growth and per capita income are below average, and layoffs and closures outnumber new jobs created seven to one.

Although these counties comprise some of the most beautiful and pleasurable tourist areas in this country, the region will continue to experience serious impediments to diversified economic growth unless given special assistance and support. This region needs and deserves help.

In my research dealing with useful programs and strategies for the region of Simcoe and Georgian Bay, I have concluded the most useful

assistance that could be forthcoming at this time is special designation under the regional development incentives program administered by the Department of Regional Economic Expansion.

Before I detail the accomplishments of this program, allow me to inform the House as to the structure, resources and mandate of DREE. I read with strong personal conviction a passage from the charter of the Department of Regional Economic Expansion describing the background and responsibilities of the department. It states:

"DREE was created to implement long-term, large-scale, integrated and co-ordinated programs dealing with economic and social development designed primarily to reduce the disparity in employment opportunities between the province and the regions. It obtained authority to assist provincial and municipal governments in improving community infrastructure in special areas.

"In implementing related social adjustment measures in these affected areas, authority has also been obtained to assist private enterprise wishing to locate, expand and modernize manufacturing and processing facilities in designated regions."

Acknowledging the invaluable efforts made by the Treasurer (Mr. F. S. Miller) and his staff, we in Ontario observe with great satisfaction the successful campaign being waged against economic inequality which has plagued our diverse province in the past.

Many of the members may be unaware of DREE's effectiveness in creating jobs since its inception in 1969. During the past 12 years, DREE has helped to create an estimated 100,000 jobs in this country, including almost 9,000 in Ontario. This latter figure pales in comparison to the accomplishments of the Ontario economy during the 1970s, when more than one million new jobs were created in that decade alone.

Most of the members in this House will be aware that this province is quite fortunate when compared to some of its provincial counterparts. Blessed with abundant natural and human resources, a close and prosperous North American market and the sound, responsible management of this government, we in Ontario are privileged to participate in one of the most affluent, civilized societies on earth.

Yet surely a quality that characterizes our system is our willingness to assist areas less fortunate than ourselves, within and beyond our borders. It is that quality I appeal to, because I feel it can easily be shown that the counties I

have indicated in my resolution stand out as meriting designation under DREE's regional development incentives program.

The program, through which the department deals directly with private enterprise without bringing in the provinces, attempts to create jobs through capital investment. The program provides financial assistance in the form of incentive grants and loan guarantees to businesses and industry willing to establish, expand or modernize their facilities in certain designated regions of the country.

4:50 p.m.

The regional development incentives program in 1979-80 resulted in expenditures of \$108.6 million, approximately 18.4 per cent of departmental expenditures for the year. Activities during the year resulted in 977 net accepted offers of incentives. The projects assisted are expected to create more than 17,000 direct jobs and to involve some \$672.7 million in capital investment by private industry and, from the Department of Regional Economic Expansion, a commitment of \$154.3 million.

More specifically, in Ontario the regional development incentives program resulted in 48 projects with DREE involvement of \$12.9 million. The projects assisted are expected to create more than 900 new jobs and to generate capital investment of approximately \$51.9 million.

Allow me to clarify for the House the four goals that the initiatives program attempts to accomplish with the assistance: the modernization of existing productive facilities without significantly increasing the capacity; the construction of new facilities which must be self-supporting operations independent of any existing facility; the support of new product expansion in which additional assets are required to manufacture or process a product that is significantly different from any item produced in the preceding three years; and assistance for volume expansion which entails expansion of existing facilities to increase the output of products currently being produced.

It may interest the House to know that the federal minister, Mr. Pierre De Bané, is on record as stating that the Regional Development Incentives Act is probably the most useful tool that Ottawa possesses in its fight against increased inequality. Recently he stated that the program has been "a most effective weapon in helping us to realize our goals for regional development."

Permit me now to concentrate my remarks on

the region in question. I have been very deliberate in my choice of counties which I believe merit DREE designation. I hope the members opposite will recognize the nonpartisan manner in which I have done so. My research has convinced me that the belt of land encompassing the southern shores of Georgian Bay is a region fraught with economic difficulties. My colleagues will provide informed and convincing statistics later in the debate which leave no doubt as to the present economic climate of the region. I believe we will demonstrate help is needed now; it is vital and it is deserved.

At present, the boundary for designation under DREE's assisted program is from Parry Sound, through Renfrew and up into the Gatineau Hills beyond Hull, Quebec. As such, all areas north of this boundary are eligible and all areas south of it are not. It should become quite obvious to this House that the counties I have mentioned, whose economic characteristics are so dramatically presented before us today, have difficulties far more associated with rural areas north of the DREE boundary than urban areas to the south. To remedy this, I simply ask that we consider whether it is not more equitable to the citizens of this region that we offer, as a nation concerned about economic equality, some measure of support and assistance under the objectives of DREE's incentives program.

In conclusion, I hope that during the course of this debate members will understand and accept the just and equitable nature of this resolution. Moreover, I hope that together today we will recognize not only the economic problems of southern Georgian Bay but also its economic potential. Respectfully, I urge members and the federal Minister of Regional Economic Expansion to understand this.

The Acting Speaker (Mr. Cousens): There are nine minutes left.

Mr. McKessock: Mr. Speaker, I rise to support this resolution. I congratulate the member for Simcoe East for bringing forward this resolution, which states, "That this House urge the federal Minister of Regional Economic Expansion"—Pierre De Bané—"to extend the benefits for regional development to include the northern part of Simcoe county, the district of Muskoka and the northern parts of Grey county."

The member has the right idea, but I am not sure why he put the boundaries where he did. I see nothing wrong with the old DREE boundaries, which were terminated a couple of years

ago. Those boundaries took in all of Simcoe, Grey and Bruce counties and the northern parts of Dufferin and Wellington counties. I feel the reasons those boundaries were selected in the first place still exist. Our area is depressed and is quite a distance from markets. There is a need for some incentive to allow these areas at least to hold their own in these times of extreme competition for industry and development.

All of Ontario should be reviewed. I hope the member understands the areas that are going to be covered come from recommendations from the Treasury of Ontario; so we certainly must get the Treasurer of this government to make sure he makes proper recommendations to the federal government, because it is from his recommendations that it will be choosing the areas covered.

Why should our children all have to leave the area and go to the bigger cities or to other provinces to obtain work? Should we not put the necessary incentive in this area to make it attractive for industry to develop here and supply work for our people to allow them to stay at home? People like to live in our area. It is a beautiful place to live and raise a family, but we need more than nice scenery and ski hills to raise a family: we need employment.

We have land that is unsuitable for farming which could be used for industry, but this will not happen as long as it is possible to develop good level farm land near the big cities. With some incentives through the federal Minister of Regional Economic Expansion, industry might develop our area. People would have the added benefits of living in a great beauty spot with ski hills in the winter and spring-fed rivers for fishing in the summer.

Of course, we may have a problem convincing the federal government that we have a problem. I wonder if the member knows that before he was elected, his government did not fight to recover more than \$1.5 billion in equalization payments from the federal government. When Ontario fell into the category of a have-not province, the Ontario government did not want to be known as a have-not province; so it did not press to obtain these payments from the federal government.

To talk out of both sides of one's mouth or to put out one's hand and then pull it away before someone can put something in it is sometimes difficult. We may now have trouble convincing the feds we need the billion dollars.

We are not proud in Grey, Bruce, Dufferin, Simcoe and Wellington. We will accept the

federal government's money in our area. We will not cut off our nose to spite our face. We will say, "Mr. De Bané, please ignore the Premier of this province when he tries to let you think we are not a have-not province."

Listen to the member for Simcoe East or the member for Victoria-Haliburton (Mr. Eakins), who also wanted to speak on this bill if there had been time, talk about the Haliburton area. Mr. De Bané should listen to us. We are not proud; we know we have a depressed area, and we will let him help us.

Put the old ARDA program back in the same area it was in before. The ARDA program worked well. It was also nice to know what one could get with it. The rules and regulations were written down and easy to read. For every job one created, one got a \$5,000 grant. That was simple and effective. A similar program with some improvements would work just fine.

5 p.m.

When this resolution passes today, I suggest that the member for Simcoe East set up a meeting with the Honourable Pierre De Bané, the federal minister responsible for regional economic expansion, along with the rest of us who took part in this debate today. We will go to Ottawa, meet the minister and present our case, with the backing, I hope, of the Legislature today.

I urge all members to support this resolution at six o'clock tonight. Then I hope we will be off to Ottawa to carry this resolution further. So many times a resolution passes in this House and that is the end of it.

The job of the member for Simcoe East will not be over when this resolution passes today. He should set up the meeting with the federal minister and invite those of us who are here today to join him. Let us take action to carry this resolution through and get what we are after.

Mr. Samis: Mr. Speaker, I want to say very briefly that we have no opposition to this resolution. Since the member comes from a riding that is known as a slow-growth area in the province, I can understand his concern about and aspirations for this region and extending it to Grey-Bruce.

One fundamental point I want to make is that no matter what counties are designated under the Department of Regional Economic Expansion, we have to look at the simple fact that every county and municipality in this province operates in the context of both the economic

situation in Ontario and Canada and the economic priorities pursued by the two levels of government.

The simple fact is that every farmer, every businessman, every corporation, every entrepreneur in any riding represented in this Legislature has to contend with high interest rates, which are having a devastating effect on the growth of every region, especially the smaller and more distant regions.

It is a simple fact of life, for example, that every municipality in every province will have to cope with the federal budget. In this province we are talking about a loss of probably in the realm of \$1.1 billion over the next five years, which will have to be made up. We know, on the basis of the results of the last budget and the Treasurer's rather fond embrace of Reaganomics, that the municipalities are going to be in deep trouble come the next budget, as are school boards and various social agencies. That is a fact of life that every county and every region has to live with.

The member should realize that if we embrace and pursue Reaganomics, as his Treasurer seems to want to do, it means less government spending, it means balancing the books and it means less intervention in the marketplace, which in a slow-growth area means the government is taking its money out. The whole mentality of Reaganomics is, "Let the marketplace decide." This means the big get bigger and the small get smaller. That hurts small towns like Orillia and Owen Sound, because he and I both know it is Toronto that will get the bulk of the growth.

I suggest to the member that if he wants to see future growth prospects for his region, he had better convince his Treasurer to divorce himself as quickly as possible from the philosophy of Reaganomics. That is the single most devastating thing for the people of his region—and for the people of all of this province, when one comes to think of it.

All one has to do is read the daily accounts in the newspaper to see what Reaganomics is producing in this province. The total this month to date, as I think the member for Hamilton West (Mr. Smith) has already said, is 23,000 people laid off, 17,000 of whom are outside the Metro Toronto region.

Some of them are well known to us. In Brampton, for example, McDonnell Douglas last week laid off 550 more, for a total of 2,300; in Port Credit, 2,450 men and women were laid off at the Admiral plant; in Oakville, 3,500 were

laid off, and next week that number may swell to 4,800; in St. Catharines, 963 were laid off at General Motors; in Kitchener, 826 were laid off at Budd Canada; in Chatham, 1,200 were laid off; in Brantford at Massey-Ferguson, with which we are all familiar now, we are talking about more than 1,500 laid off and probably another 300 to come; in Windsor, 2,100 Chrysler workers were laid off; in London, 600 more were laid off; at Shop-Rite stores, as we all know, 600 will be laid off; in addition to the fact that 5,300 General Motors workers are being laid off temporarily.

I notice that the Canadian Federation of Independent Business estimates that upwards of 30,000 small businesses may have gone under by the end of this year. That affects regions like Simcoe because it is really small business that forms the nucleus of economic growth in regions like that.

If we talk about the Department of Regional Economic Expansion, we can only do it in the context of interest rates, Reaganomics, and the overall priorities of both the federal and the provincial governments.

I am sure the good burghers of Simcoe and Grey would be very interested to know where this government got a mandate to invest \$650 million in an oil company that is not really centred in this province in the first place.

Mr. Boudria: I thought you liked oil companies.

Mr. Samis: I am sure they were very interested to know they voted for a Conservative member whose government, whose party, whose leader, says it is in their best interest to divert funds from small business, agriculture, rural development, health care services and hospital services down to Pennsylvania, to Suncor. We do not control it. It will not create any jobs. It will not give us any real influence in the oil industry, and yet that is the sort of thing we are facing.

If one asks for aid—whether it is economic development or health services, name any—no money. They can find \$650 million, pay absurd interest rates for that money, and invest it in Suncor. People in the member's region probably need some assistance, but the automobile dealers get the assistance. They get \$21 million from the Treasurer of Ontario. We can have the absurd situation of somebody in Orillia buying a lot of car and getting a rebate from Ontario taxpayers. Obviously not a very good investment for the people of Simcoe who want to be designated under DREE.

What I am saying here is that we have no particular objection to the resolution, but I do stress the very simple fact that DREE's record in the Maritimes, in Quebec, in northern Ontario and parts of Manitoba, makes it extremely clear that it is anything but a godsend. In fact if anyone knows how to screw things up, it is the Department of Regional Economic Expansion.

We were at one time a designated region, and it had a very minimal impact in terms of our getting out of that situation and getting on our feet. The member might be better served by talking to the Treasurer, getting him off his love affair with Reaganomics, getting him to invest money in Ontario small business, agriculture and natural resources instead of Alberta's; getting him to help small business deal with the interest rates and the absolutely devastating effect they are having on small businessmen and farmers in his riding instead of investing in Suncor.

That could be done in Ontario before we go to DREE. Let us clean our own house first before we go and see Pierre De Bané asking for any favours.

Mr. Villeneuve: Mr. Speaker, I am happy to speak on the resolution put forward by the honourable member for Simcoe East. The DREE program, the Department of Regional Economic Expansion, is familiar to me and well known to most of the eastern Ontario people I represent in this Legislature.

This program, with \$50 million that Ontario and Ottawa have put in my area, has saved many a farmer in drainage costs and has increased agricultural productivity and financial returns. An economy that was dragging to a halt started to move again. People from all eastern counties, given a fighting chance, choose to stay put, as long as they can earn a decent living and raise their families.

I do not believe in biting the hand that feeds me. I believe we should try to look through the short term and beyond our own backyards at getting a fair deal for all. I know members are not pushing for a subsidiary agreement in southwestern Ontario of the kind we have in the east. That is the business of our Treasurer and the federal government. I think there is a level of co-operation which we may not have had in the past.

I would not want anything to tamper with the delicate balance. I know the House would agree with that. I do think a brief look at the eastern Ontario development agreement, as it unfolds, will shed some light on the principle of this resolution.

In September 1978, the federal government decided, without consulting with any of the provincial Treasurers, to drop the old ARDA program.

5:10 p.m.

In November, Mr. Miller met with the federal minister, and it was agreed that conclusion of an agreement for eastern Ontario was top priority. In January, the Treasurer proposed that a new Department of Regional Economic Expansion agreement—

Mr. McKessock: He said to talk about the priority for the east.

Mr. Villeneuve:—include Peterborough, Victoria, Haliburton, Muskoka, Grey and northern Simcoe. He felt, as I am sure he does today, that these areas were in need of assistance just as eastern Ontario was, and the bargaining began. The only reason 11 counties of eastern Ontario are included is because DREE covers the whole area around the city of Montreal. I live right next to the border. They are all looked after under DREE. Therefore they had to do something to make it look at least reasonably fair in eastern Ontario. But there are slow-growth areas—

Mr. Boudria: That is not true. All of Ottawa-Carleton—

The Acting Speaker: Order.

Mr. Villeneuve:—that need attention throughout this province.

Mr. Boudria: It is not true.

Mr. Villeneuve: When the honourable member has been here a little while he will know a little bit more than he does now.

Mr. Boudria: That may be so, but to say that Ottawa is not covered under DREE—do not say it is not.

The Acting Speaker: Order.

Mr. Villeneuve: Weeks before the agreement was to be formally signed, Ottawa demanded Muskoka and Haliburton be chopped as well. Next the \$10 million small business assistance program was to be discarded. That was going too far. Ontario held its ground and refused to sign without the small business program.

Finally, in December of 1979 under the Clark government—we tried for 18 months with the previous government and they would not even listen—they signed a \$200 million agreement with Quebec. There was no problem as far as financing that, but there was no money for Ontario. Those are the facts.

Mr. McKessock: What has this got to do with the bill?

Mr. Villeneuve: Finally, in December 1979, agreement was reached for the small business program intact. Since then, a great deal has been accomplished. Flood control and land reclamation was a devastating problem in the eastern counties—

The Acting Speaker: Time. The honourable member has exhausted his time.

Mr. Villeneuve: I could go on, Mr. Speaker, to demonstrate benefits, but time does not permit me.

The Acting Speaker: The honourable member for Simcoe East has left three minutes.

Mr. McLean: Mr. Speaker, is that all the time that is left?

The Acting Speaker: It is two minutes that you have now.

Mr. McLean: I know things are fast, but I did not think they were that fast. I just wanted to make a couple of comments with regard to the honourable member from Grey county on the boundaries.

It is very hard to determine, but I picked an area which I thought was the most depressed. Knowing part of the member's riding, and the southern part of Muskoka and the northern part of Simcoe county, it keeps us away from the built-up areas, from Metropolitan Toronto, and I thought that was the area that needed the help most. It was the furthest distance away from markets, it needed the help, and I think the area I have outlined is most in need.

Making sure it goes further and that we continue what we have started, I will be following it up. It will not be left with just the Treasurer or the cabinet. I will be following—

Mr. McKessock: Let us get together and go and talk about it in Ottawa.

Mr. McLean: That is right. We will be talking about it, and I will be getting word very shortly. I hope I can share that with the member when we get something in writing from Mr. De Bané.

LANDLORD AND TENANT AMENDMENT ACT

Mr. Boudria moved second reading of Bill 83. An Act to amend the Landlord and Tenant Act.

Mr. Boudria: Mr. Speaker, it gives me great pleasure to speak on this, the first private member's bill I have had the pleasure to introduce into this great Legislature.

I will try to take less than the time allotted to me so as to allow as many members of this Legislature as possible to participate in this bill.

This bill implements the policy that tenants in mobile home parks are entitled to greater protection than ordinary residential tenants. The bill's focus is on the period covered by a notice of termination of a tenancy.

A study conducted by the Alberta Institute of Law Research and Reform supports the principle underlying Bill 83. The study points at the time-consuming, dislocating and expensive problems facing a tenant of a mobile home park when he is given a notice of termination. A new site must be found. This search for an alternative site can be quite difficult.

The Ontario Ministry of Municipal Affairs and Housing recently concluded the lack of available land for mobile homes is one of the main impediments to their development. Because mobile homes are often associated with the travel-trailer image of the past, many municipalities have been reluctant to permit their establishment and they have been relegated to areas considered unsuitable for conventional forms of residential development.

Even if a vacant site exists it may not be within commuting distance of the tenant's place of work. If the site is not available until a date beyond a termination period there are costs of storage and temporary accommodation, and further haulage arrangements must be made.

Tenants commonly invest upwards of \$20,000 in mobile homes. A home's value will diminish if neither the owner nor a potential buyer can secure a site on which to rest it, thus termination may mean the sale of a tenant's capital assets, the mobile home, at a reduced price. On the other hand, residential tenants must also pay moving and storage costs; and new rental accommodations may not be easy to obtain.

I would like to talk for a minute about the Ontario legislation. First, various sections of the Landlord and Tenant Act were renumbered for the purpose of the revised statutes of 1980. Accordingly references in Bill 83 to sections 100, 103, 103a, 103b and 103d should now refer to sections 100 to 105 and 107. The new section 114a should be renumbered as section 128a if it is to be included at the end of the part on mobile home parks.

Part VII of the Residential Tenancies Act regulates tenancies in mobile home parks. Section 69(1) applies when a landlord seeks an order terminating a tenancy. The landlord must require possession of the rental unit for his own use, a purchaser's use, demolition, a change of use or extensive repairs. He must make reasonable effort to find an alternative site of similar

character, convenience and cost to which the tenant may move his mobile home or on which the tenant may purchase, lease or otherwise obtain the use of a mobile home. Under certain conditions the landlord must pay the tenant's reasonable expenses in moving his mobile home to another site. These provisions have not been proclaimed in force yet.

In addition, on May 28, 1981, the Supreme Court of Canada, in reference to the Residential Tenancies Act, ruled that 36 provisions of the act were ultra vires of the Legislature. They include sections of Part VII. The power of the Residential Tenancy Commission to order the eviction of tenants and require landlords and tenants to comply with obligations imposed under the act offend against limitations contained in section 96 of the British North America Act.

In California, under the mobile home residency law, management must give written notice of at least 60 days in order to terminate a tenancy. Tenancies can be terminated only for a reason specified in article 6. One of these reasons, a change of use in the park, is subject to three conditions:

First, the management must give the tenant at least 15 days' notice it will be appearing before a local governmental board, commission or body to request a permit for this change of use.

Second, after making this initial application the management must give the tenant at least 12 months' notice of the proposed change. This 12-month period is extended if all required permits have not been obtained. Then the usual 60 days' notice must be given. If no permits are required then notice must be given at least 12 months before the termination for that change of use will occur.

Finally, the management cannot terminate the tenancy unless it has given notice to each proposed tenant before the inception of his tenancy that it is requesting a change of use or that a change has been granted.

These conditions comprise part of the unique protection afforded mobile home owners in California. Protection is needed because of the high cost of moving mobile homes, the potential damage resulting therefrom, the requirements relating to the installation of mobile homes and the cost of landscaping or lot preparation.

5:20 p.m.

According to Frank Young, Executive Director of the Canadian Manufactured Housing Institute, formerly called the Canadian Mobile Home Association, there are about 140 mobile

home parks in Ontario. Most are near small towns and in rural areas. There are approximately 42,000 to 45,000 mobile homes in the province.

Members can see there are many people affected by this bill. Several studies indicate that mobile home dwellers are not really very mobile. A Thunder Bay study showed that 72 per cent had not moved their homes in the previous five years. Research in Brandon, Manitoba, concluded that 55 per cent of the mobile home owners regarded their residency as permanent. American statistics reveal that mobile home owners move only once every 5.7 years as compared with every 5.2 years for people who live in conventional houses.

I will terminate my presentation at this time to allow other honourable members to participate in the debate. I would like to reserve three minutes at the termination.

The Deputy Speaker: You have approximately 10 minutes. Three minutes is fine then and we will divide the time accordingly.

Mr. Wildman: I want to welcome the member for Prescott-Russell as an ally in what has been a rather lonely fight on behalf of mobile home owners since I was first elected in 1975.

Mr. Boudria: You needed the help.

Mr. Wildman: I will ignore that. This has been of special interest to me because about 12 per cent of all the mobile homes in Ontario are in my riding. I might say that prior to my election in 1975 for some reason the whole issue of protection for mobile home owners was not even mentioned in this House.

Prior to that time, the former Landlord and Tenant Act did not even mention mobile homes. The sections cited by my colleague from Prescott-Russell are the result of hard work that has been done by committees over the past few years. I am happy to say that the amendments that have now been incorporated in the Landlord and Tenant Act and in the Residential Tenancies Act are as a result of work that I and my colleagues have done and amendments that have been proposed by me in committee. There is no question that while we have improved the situation of mobile home owners in this province over and above the very little protection or lack of protection they had before, there is much more to be done. I was quite sincere when I said I welcomed the amendment proposed here this afternoon.

Mobile home owners in this province have suffered from a kind of gipsy image which is

most unfair and inaccurate. Many people have felt mobile home owners are people who live in trailers. Many people use the two terms synonymously, when as a result of a number of objections I raised there has actually been a differentiation made in the act in terms of the definition.

As my colleague mentioned very few mobile home owners are actually mobile. Most mobile homes, as opposed to the tenants or residents in the mobile homes, as he mentioned, never move once they are first located. Studies have shown that about 90 per cent of the mobiles in this country remain on the first site on which they are located.

The problem that many mobile home owners experience though is that unlike other home owners or residents in rental accommodation, they are sort of in a halfway house. They own their own home, in most cases, but they do not own the land on which it is located. The situation one faces is that if the mobile home owner is evicted from his tenancy in a mobile home park, he owns his home but he does not have a site on which to locate it.

As a result of this, we find terrible situations. I understand that five or six years ago in Niagara Falls there was an owner who had a mobile home park located on his land. He decided he was going to change the use of the land and develop a shopping centre on that location. The bulldozers were coming in to prepare the site for a shopping centre and some of the mobiles were still located there with people living in them because they had nowhere to go.

Mr. Boudria: That is happening in my riding too.

Mr. Wildman: That is one of the major problems we have. The problem is that when a mobile home park owner decides he wants to change the use and thus evict the people who are renting from him, most of the people have nowhere to go because there are not enough sites in the area or for that matter in the province. That has meant mobile home park tenants have been left open to threats and intimidation from some unscrupulous mobile home park owners.

Despite the changes we have been able to bring about in the Landlord and Tenant Act in the sections dealing specifically with mobile home parks, mobile home park tenants are still subject to threats and intimidation. They know in the last resort the landlord could say, "I am going to change the use of my land. I am going to give you the notice that is required by the

Landlord and Tenant Act and evict you. You better do what I say or that is what I am going to do." As a result, mobile home park tenants do not appeal to rent review because they are afraid they will be evicted.

When the Residential Tenancies Act was before the House I introduced a number of amendments in the committee to try to assist mobile home park tenants who were facing eviction in this way. Section 69 of that act deals specifically with that situation. The purpose of the amendment was to try to ensure that a mobile home park owner who was genuinely trying to change the use of his land would use every possible means to locate sites for the owners of the mobile homes in his park. He would have had to pay the transportation costs of moving from his park to the new site.

I regret very much that despite the fact that amendment was accepted unanimously by the committee and passed, and then passed in this House, for some reason this government has chosen not to have that section as well as some other sections of the act proclaimed.

It makes a mockery out of the claim by this government in a policy paper published a number of years ago by the Ministry of Housing that saw mobile homes as a legitimate alternative form of low-cost housing in this province, especially in rural areas where there is not the rental accommodation that might exist in some urban areas. If the government really believes mobile home parks are a legitimate form of rental accommodation that should be encouraged in this province, as that policy paper says, why on earth has it chosen not to proclaim the portion of the act that would protect the residents living in those mobile home parks? I do not understand it.

The act was proclaimed in 1979 and we are still awaiting the proclamation of the rest of it. That means mobile home park owners could still threaten eviction and intimidate their tenants. Even if they are not that kind of landlord, even if they have some other legitimate use for their park, if they are going into another business or something, the mobile home park tenants are still left vulnerable.

For that reason, I congratulate the member for Prescott-Russell who introduced this amendment. It has my wholehearted support. If we are to protect mobile home park tenants, we must ensure that if there is going to be a change in the use of the land on which their mobiles are located they have the lead time necessary to find an alternative site on which to locate their

homes. We cannot leave mobile home park tenants dependent upon the caprice of landlords who wish to ship them around at will in order to get what they want.

I hope as many members as possible will support this amendment. If the bill itself does not pass third reading I hope the government will act on the amendments already in the Landlord and Tenant Act and the Residential Tenancies Act that have not yet been proclaimed and will pass an amendment along the lines suggested by the member for Prescott-Russell to give real protection once and for all to mobile home park residents.

5:30 p.m.

Mr. Kolyn: Mr. Speaker, I welcome this opportunity today to comment on the bill tabled by the member for Prescott-Russell. I sympathize with the difficulties that tenants living in mobile home parks encounter when forced to relocate. However, extending the notice period from the current 120 days to 365 days is not, in my opinion, going to help them find an alternative housing site; in fact, the opposite could occur. The current—

Mr. Wildman: What about the member for Cochrane North (Mr. Piché)? He had a case in Kapuskasing.

Mr. Kolyn: Will the member wait a minute? We listened to him; let's just hear the other side.

The current period of 120 days is more than adequate to find an alternative housing site, if such a site exists.

Mr. Wildman: Underline that last phrase.

Mr. Kolyn: I just said it: if such a site exists. Certainly the honourable member will agree that a one-year period is excessive. It would also mean that if it took a year to evict one mobile home unit out of a park, one could have a tenant who was unruly and disturbing and it would take a year to get rid of him.

Clearly the problem lies in finding an alternative site. If a tenant has not been fortunate in finding an alternative park site for his home in four months, an additional eight months will not be of any benefit. If a site is not available within a certain radius of where the tenant is willing to relocate, then extending the notice period is not going to be of any significance. In most circumstances the park from which a tenant is forced to vacate is only within a 100-mile radius.

Another serious problem the tenant faces in finding an alternative site is the prevailing attitude of municipalities. Our municipalities are not particularly enthusiastic in zoning land

for mobile home parks. The municipal attitude towards mobile homes in the main is an impediment to their development. Because mobile homes are often associated with the travel-trailer image of the past, many municipalities have been reluctant to permit their establishment. In most municipalities mobile homes have been relegated to areas considered unsuitable for conventional forms of residential development, thus perpetuating a negative image.

Strict zoning laws and building codes have also restricted mobile home parks to designated areas. Of course, attitudes and regulations concerning mobile homes vary from municipality to municipality. In general they have not been favourable. Our government has taken the position that mobile homes should be treated like other forms of conventional housing. Municipalities should follow our example. Through its planning controls a municipality can promote the acceptance of mobile homes as a legitimate form of housing.

Mobile homes, like all forms of development, require public facilities and services. They need adequate roads, waste disposal systems, water supply and services such as schools, parks and shopping. Mobile home developments need to be planned in the same manner as other forms of housing and local official plans and zoning bylaws should contain provisions which regulate their location and site planning.

Returning to the plight of the tenant who is forced to relocate, if the tenant is fortunate in the sense that another mobile park site is nearby, it does not necessarily follow that the tenant will be accepted at the new site. Since most land owners of mobile home parks couple their site rentals with mobile home sales and repairs, they prefer that the new tenant purchase a mobile home from them instead of bringing their own units. Some park owners make the purchase of a mobile home from them a condition of renting a site in the park.

The transportation and installation of mobile homes are most important considerations in relocating. Mobile homes are factory built, single-family dwellings designed to be placed on a permanent foundation and connected to utilities. Such mobile homes are usually marketed without land. They are transported from the factory site, often via a dealer. In most cases the delivery of a mobile home is included in the initial price. Placement of a mobile home on a permanent foundation and connection to utilities is most logically handled by the dealer;

therefore, the initial purchase price usually includes proper blocking, an extremely important part of setting up a mobile home on the site.

In a situation where the tenant is forced to relocate, he is forced to incur transportation costs as well as proper installation costs, often at a high cost.

This brings me to another reason why I am not supporting the bill tabled by the member for Prescott-Russell. Our government is both aware and sensitive to the difficulties and high costs a tenant of a mobile home encounters when forced to relocate.

Section 69 of the Residential Tenancies Act states, "If a tenant is forced to leave a mobile home park because of demolition or extensive repairs to the park, then the landlord shall make every reasonable effort to find an alternative site of similar character, convenience and cost"—

Mr. Wildman: On a point of order, Mr. Speaker: The section of the act the member is quoting has never been proclaimed and he is quoting it as if it is law.

Mr. Kolyn: We are coming to the answer he is waiting for.

Mr. McClellan: You will run out of time first.

Mr. Kolyn: I hope not because he wants the answer, but I will send him the answer any way.

I will carry on, "lease or otherwise obtain the use of a mobile home." Further, section 69 states, "The Residential Tenancy Commission may make an order requiring the landlord to pay all or part of the tenant's reasonable expenses in moving his mobile home to another site."

Unfortunately, part of the Residential Tenancies Act, including section 69, has been ruled unconstitutional by the Supreme Court. The decision of the Supreme Court to rule sections of the Residential Tenancies Act unconstitutional was based on the transfer of jurisdiction from the county courts to a provincial commission to decide disputes between landlord and tenants.

Our government is currently considering new legislation, which would include the substantive part of the Residential Tenancies Act, including section 69. Until that legislation is introduced, it is inappropriate to make amendments to the Landlord and Tenant Act.

The amendments the member is asking for will not solve the problem of finding alternative sites for tenants of mobile homes who are forced to relocate.

The Deputy Speaker: The member for Essex South. I would like to remind the member he only has five minutes, to allow his colleague his remaining three minutes.

Mr. Mancini: That is too bad, Mr. Speaker, because I have a lot of good things to say about Bill 83.

I commend my colleague the member for Prescott-Russell for introducing this private legislation. It is evident the member for Lakeshore does not have any mobile home parks in his riding, because he speaks as if he does not know any of the realities of the situation. My colleague the member for Essex North (Mr. Ruston) and I do have mobile home parks in our ridings. We have had quite a few difficulties over the past several years and we have both been trying to work on a set of solutions to help and protect the mobile home owners in these parks.

I wish to bring to the attention of the House that, for the past three years at least, I have been having correspondence with appropriate officials in the government concerning better protection for mobile home owners; for example, protection as far as their property taxes are concerned. We are all aware they pay the property taxes to the landlord and then the landlord turns the taxes over to the municipality.

However, if the landlord gets into financial trouble he is usually late with his taxes. He could end up in receivership and, therefore, the mobile home owners are not protected even though they paid their property taxes.

That is one issue I have been following up. I wish to say the Ministry of Municipal Affairs and Housing has now taken my suggestion and it is going to have an intergovernmental task force look into some of the many problems I have brought to the ministry's attention, the one I mention being a very important one.

Getting back to the specifics of this bill, may I say I am once again disappointed that in the private members' hour the government members are getting up and saying, "our government's position," "our government's policy," "our government's this and that." We are slowly but surely taking away from the private members' hour any individuality it had for any of the members who wished to participate.

This is the second week in a row now where I have heard a government member get up and say, "our government's position." This is not government's hour, this is private members' hour.

5:40 p.m.

The member for Prescott-Russell has brought to the attention of the House certain problems and certain solutions for those problems. We do not want to hear government propaganda. We want to know what the member for Lincoln (Mr. Andrewes) thinks; we want to know what the member for Cochrane North has to say on an individual basis; the member for Leeds (Mr. Runciman); the member for Brantford (Mr. Gillies) and the member for Wentworth (Mr. Dean). Do they not have any individual thoughts at all? Not at all? All we hear is the government propaganda.

The member for Lakeshore and others should realize that mobile home owners have special problems. Number one, they usually own the building in which they reside but must rent the property. How are they to find a new piece of property on which to move a home with only 120 days' notice? We are all aware of the acute shortness of mobile home sites in Ontario. That is the number one problem; it is impossible.

The number two problem is mobile home owners are not treated fairly by banks and financial institutions. They are unable to go to a bank and get a regular mortgage. They have to go in and get a chattel mortgage at a significantly higher rate. These are usually on a demand basis. These are some of the problems they are faced with.

Mr. Speaker, I notice you are informing me I have one minute left. I have a couple of other points.

Because these people are unable to get regular mortgages and the chattel mortgages are at a higher rate, it is even more difficult for them to sell their mobile homes. If someone has been asked to move from a property and is trying to sell his home to go into an apartment or other accommodation, these restrictions make it more difficult to sell the home. That is why one needs more than 120 days. These are practical reasons that real people have to go through, these practical problems they have to live with. These people deserve our protection and our assistance. That is why those members were elected to the House, to help people.

Mr. Boudria: Mr. Speaker, I will try to summarize very briefly. First, I express my disappointment in the member for Lakeshore. I would have hoped some members of the Conservative caucus who have mobile homes in their ridings would have spoken on this issue.

I feel it is inadequate to hear a member from downtown Toronto speak on this. I will be the first one to admit—

Mr. Kolyn: Mr. Speaker, on a point of privilege: The member for St. George (Ms. Fish) represents downtown Toronto, not me.

Mr. Boudria: I will be the first one to recognize this is a Band-Aid solution. We need a lot more than that to help out mobile home owners. What we need is a government that will care about that type of housing. We need to establish a task force that can go around the province. I would invite that member to join that task force where he would learn something about mobile homes.

Everything he recited today was either erroneous or totally false. He cited portions of acts that were not even proclaimed, and all kinds of nonsense like that. He talked about evictions, which are covered in the bill, and he said they were not. I feel it was unfortunate this member spoke on this bill.

I will try to end very briefly. There are very relevant provisions of the Residential Tenancies Act that have not been proclaimed. I know they would address some of the problems in this but not all of them. California legislation imposes a minimum 12-month notice period before the management can terminate a tenancy on the grounds of change of use of a park. Surely we can afford the same protection for the citizens of Ontario. We are not asking for something that does not have any precedent the world over. We are asking for something that exists elsewhere.

Maybe the honourable member for Lakeshore did not know that, or the person who wrote that speech for him did not know that, but he must have heard it when I said it.

As the member for Algoma said, in the past residents of mobile home parks were treated like gypsies. I think it is the attitude of this government today that they are still going to treat them like that. Let us give some permanence to that type of resident. At least they will be able to know that they can live in one place for a minimum of one year without being evicted. Surely that is normal for somebody who owns his own house. Maybe they do not own the land it is on, but they own their own house. Yet they have no assurance that they will be there for any length of time.

I will send a copy of this debate to all mobile home parks in Ontario to let the residents know of the arrogance of this government towards that type of housing.

REGIONAL DEVELOPMENT

Mr. Speaker: Mr. McLean has moved resolution 29.

Those in favour will please say "aye."

Those opposed will please say "nay."

In my opinion the ayes have it.

Resolution concurred in.

Mr. Mancini: On a point of privilege, Mr. Speaker: I am sure we all realize that once the appropriate minister in this government contacts the appropriate minister in the federal government, if he does not give Department of Regional Economic Expansion funds, the Treasurer of Ontario will give the funds.

Mr. Speaker: Order. That is not a point of privilege.

LANDLORD AND TENANT
AMENDMENT ACT

The following members having objected by rising, a vote was not taken on Bill 83:

Andrewes, Ashe, Baetz, Brandt, Cousens, Dean, Eaton, Elgie, Fish, Gillies, Gordon, Gregory, Grossman, Havrot, Hodgson, Kolyn, Lane, Leluk, McCaffrey, McLean, McMurtry, McNeil, Piché, Ramsay, Runciman, Scrivener, Sheppard, Stevenson, K. R., Treleaven, Watson, Williams, Wiseman—32.

5:50 p.m.

BUSINESS OF THE HOUSE

Hon. Mr. Wells: Mr. Speaker, I would like to indicate the business of the House for tonight, Friday and next week. Tonight, we will deal with legislation of the Minister of Municipal Affairs and Housing (Mr. Bennett) as printed on today's Order Paper, then if time permits we will be proceeding to Bills 107, 104 and 125 standing in the name of the Attorney General (Mr. McMurtry). Tomorrow, we will deal with the estimates of the Ministry of Revenue, and on

Monday, November 30, we will deal with the estimates of the Ministry of Intergovernmental Affairs.

On Monday evening, the committee of the whole will sit on Bill 7, standing in the name of the Minister of Labour (Mr. Elgie). Tuesday afternoon and Tuesday evening, the committee of the whole will continue to deal with Bill 7 then, if time permits, with legislation that is not completed tonight.

On Wednesday, the usual three committees may meet in the morning: general government, resources development and justice. On Thursday afternoon, we will deal with private members' ballot items 21 and 22, standing in the names of the member for Lake Nipigon (Mr. Stokes) and the member for Oriole (Mr. Williams). On Thursday evening, we will resume the adjourned debate on the motion for adoption of the recommendations contained in the first report of the select committee on pensions. On Friday, the estimates of the Ministry of Intergovernmental Affairs will be dealt with.

I might also inform the members of the House—because I made a statement slightly in the opposite vein the other day—it has been decided that we will not have a special debate in the House in regard to the constitutional resolution, but that the matter of the constitution will be dealt with in the estimates of the Ministry of Intergovernmental Affairs, the estimates of the Premier (Mr. Davis), which are yet to come, and the estimates of the Attorney General, which are beginning in committee tomorrow.

RESPONSE TO PETITION

Hon. Mr. Wells: Mr. Speaker, I would also like to table the response to petition, sessional paper 263, standing on the Notice Paper. [See Hansard for Friday, November 27.]

The House recessed at 6 p.m.

ERRATUM

No.	Page	Column	Line	Should read
104	3745	2	5	The road serves the Newaygo limits, I believe; if

CONTENTS

Thursday, November 26, 1981

Baetz, Hon. R. C., Minister of Culture and Recreation:	
McMichael Canadian Collection	3902
McMurtry, Hon. R. R., Attorney General and Solicitor General:	
Canadian College Bowl	3904
Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics:	
Federal-provincial financial arrangements	3899
Norton, Hon. K. C., Minister of the Environment:	
Niagara River pollution	3900

Oral questions

Baetz, Hon. R. C., Minister of Culture and Recreation:	
McMichael Canadian Collection , Mr. Hodgson, Mr. Laughren.	3916
Elgie, Hon. R. G., Minister of Labour:	
Collective bargaining , Mr. Mackenzie, Mr. Kerrio.	3912
Employee health and safety , Mr. Martel.	3915
Grossman, Hon. L. S., Minister of Industry and Tourism:	
Site for Volkswagen plant , Mr. Wrye, Mr. Cooke.	3913
Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics:	
Plant layoffs , Mr. Smith, Mr. Cassidy.	3906
Agricultural policy , Mr. Smith, Mr. Cassidy, Mr. Riddell.	3908
BILD program , Mr. Cassidy, Mr. Sweeney.	3909
Assistance to home owners , Mr. Cassidy, Mr. Cooke, Mr. Mancini.	3910
Winter works program , Mr. Yakabuski.	3913
Norton, Hon. K. C., Minister of the Environment:	
Niagara River pollution , Mr. Kerrio.	3917
Stephenson, Hon. B. M., Minister of Education and Minister of Colleges and Universities:	
Mohawk college , Mr. Nixon, Mr. Grande.	3911

Reports

Standing committee on general government , Mr. Gordon, tabled.	3918
Standing committee on administration of justice , Mr. Treleaven, agreed to.	3918

First readings

McMichael Canadian Collection Amendment Act , Bill 175, Mr. Baetz, agreed to.	3918
Co-operative Corporations Amendment Act , Bill 176, Mr. Walker, agreed to.	3920
Canadian Reformed Theological College Act , Bill Pr42, Mr. Kerr, agreed to.	3920
Residential Tenancies Amendment Act , Bill 177, Mr. Kolyn, agreed to.	3920

Private members' public business

Regional development , resolution 29, Mr. McLean, concurred in.	3921
Landlord and Tenant Amendment Act , Bill 83, Mr. Boudria, vote not taken.	3926

Other business

Policy on statements , Mr. Roy, Mr. Davis, Mr. Wildman, Mr. Smith.....	3905
Irwin Toy dispute , Mr. Mackenzie.....	3918
Business of the House , Mr. Wells.....	3932
Response to petition , Mr. Wells, tabled.....	3932
Recess	3932
Erratum	3932

SPEAKERS IN THIS ISSUE

Baetz, Hon. R. C.; Minister of Culture and Recreation (Ottawa West PC)
 Boudria, D. (Prescott-Russell L)
 Breithaupt, J. R. (Kitchener L)
 Cassidy, M. (Ottawa Centre NDP)
 Cooke, D. S. (Windsor-Riverside NDP)
 Cousens, D.; Acting Speaker and Deputy Chairman (York Centre PC)
 Davis, Hon. W. G.; Premier (Brampton PC)
 Elgie, Hon. R. G.; Minister of Labour (York East PC)
 Grande, T. (Oakwood NDP)
 Johnson, J. M. (Wellington-Dufferin-Peel PC)
 Kerr, G. A. (Burlington South PC)
 Kerrio, V. G. (Niagara Falls L)
 Kolyn, A. (Lakeshore PC)
 Laughren, F. (Nickel Belt NDP)
 Mackenzie, R. W. (Hamilton East NDP)
 Mancini, R. (Essex South L)
 Martel, E. W. (Sudbury East NDP)
 McClellan, R. A. (Bellwoods NDP)
 McKessock, R. (Grey L)
 McLean, A. K. (Simcoe East PC)
 McMurtry, Hon. R. R.; Attorney General and Solicitor General (Eglinton PC)
 Miller, Hon. F. S.; Treasurer of Ontario and Minister of Economics (Muskoka PC)
 Nixon, R. F. (Brant-Oxford-Norfolk L)
 Norton, Hon. K. C.; Minister of the Environment (Kingston and the Islands PC)
 Peterson, D. R. (London Centre L)
 Philip, E. T. (Etobicoke NDP)
 Reid, T. P. (Rainy River L-Lab.)
 Renwick, J. A. (Riverdale NDP)
 Riddell, J. K. (Huron-Middlesex L)
 Roy, A. J. (Ottawa East L)
 Samis, G. R. (Cornwall NDP)
 Smith, S. L. (Hamilton West L)
 Stephenson, Hon. B. M.; Minister of Education and Minister of Colleges and Universities
 (York Mills PC)
 Sweeney, J. (Kitchener-Wilmot L)
 Turner, Hon. J. M.; Speaker (Peterborough PC)
 Villeneuve, O. F. (Stormont, Dundas and Glengarry PC)
 Walker, Hon. G. W.; Minister of Consumer and Commercial Relations and Provincial
 Secretary for Justice (London South PC)
 Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)
 Wildman, B. (Algoma NDP)
 Wrye, W. M. (Windsor-Sandwich L)
 Yakabuski, P. J. (Renfrew South PC)



Ontario

LEGISLATIVE ASSEMBLY

No. 110

Legislature of Ontario Debates

Official Report (Hansard)



First Session, Thirty-Second Parliament

Thursday, November 26, 1981

Evening Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Thursday, November 26, 1981

The House resumed at 8 p.m.

CITY OF OTTAWA ROAD CLOSING AND CONVEYANCE VALIDATION ACT

Hon. Mr. Bennett moved second reading of Bill 167, An Act to Validate certain Road Closings and Conveyances in the City of Ottawa.

Hon. Mr. Bennett: Mr. Speaker, this is a bill to validate some actions of the city council of Ottawa, the regional municipality of Ottawa-Carleton, the federal government and the Rideau Centre project by Viking Rideau Corporation, located in the downtown Ottawa area. The city of Ottawa entered into an agreement with the federal government back in May 1979 to turn those allowances over to the federal government upon the date of closing of the roads.

There would appear to be some question whether one should introduce into an agreement, in advance of the date of advertising and of reading the bylaws at the municipal level, an agreement to do something when one has not yet gone through the legal procedure to do it as far as public meetings and so on are concerned. To clear up any doubts, the municipality feels the direction we are taking this evening will validate those closings.

Mr. Roy: Mr. Speaker, the minister talked to me about this proposed legislation a few weeks ago, and I have had occasion to discuss it with him and with one solicitor, Mr. Garry Smith, who apparently acts for some of the parties involved. I am not exactly sure who Mr. Smith acts for. In any event, I had a discussion with him to understand the legal technicalities involved and the necessity of having this type of legislation.

Mr. Speaker, I think you would be interested to know, since you take great interest in the goings-on in this province and certainly in your national capital, that this development involves what is called the Rideau Centre project. It is a huge development, considered to be worth more than \$300 million, and it is taking place not only in the national capital but also right smack in my riding. It is right across the street from the federal-provincial conference centre, the old Union Station, and it is a fair-sized develop-

ment. Not only is it creating employment and economic activity in the area but with the hotel, convention centre, stores, et cetera it is also going to help revitalize that sector of the city.

This morning, before I flew down here, I had to drop by the courthouse for a minute to see that everything was under control, as you can understand. With this huge development going on, there is very little parking, and streets are closed all over the place. At present it is a real mess, but we are hoping things will improve over time. As I walked back to my car this morning from the parking garage that sits right next to the project, I had occasion to look at this huge project again. There were about 10 cranes out there working away, and stores and buildings were going up. You wonder in this whole thing if there is any method to their madness. They are just like a bunch of ants, everybody working all over the place.

As I was looking this project over I said to myself, "This evening the Minister of Municipal Affairs and Housing will be proposing this legislation. Of course, those of us who are local people must do everything necessary not to create any legal impediments that might bring this whole project to a halt, especially in an area that has not seen very much construction or economic activity for a period of time."

If I thought for a minute that this legislation, retroactive as it is, were going to deprive any of the citizens of this province of an existing right because we are passing legislation retroactively, I would not hesitate to oppose it. As you can understand, Mr. Speaker, I deeply abhor any legislation that is retroactive—legislation that, as they say in common parlance, goes back to a particular date.

I tried to be as astute as I could with the minister and with the legal officials involved to assure myself that in doing what we are going to do here this evening we are not going to deprive any of the citizens of Ottawa or of Ontario of existing rights they would have had to oppose or make representation with respect to these street closings.

I have been assured, Mr. Speaker, and you will be pleased to know, that full opportunity was given. Apparently the legal technicality as I

understand it—and you will appreciate that I have only limited legal knowledge when it comes to complex matters involving economics, because I am more concerned about helping citizens with human rights and similar matters than about these large developers or people who get involved in very difficult technical problems—

The Acting Speaker (Mr. Cousens): On the motion.

Mr. Philip: He is more concerned with practising law and making money.

Mr. Roy: I have limitations; and I quite understand that when I talk this way, it makes the New Democratic Party member for Etobicoke very envious, because he is frustrated that they would not even let him in the door at law school—

The Acting Speaker: On the motion: Bill 167.

Mr. Roy: Yes, I am sorry. Really, he is a frustrated would-be lawyer.

The Acting Speaker: Speaking to the bill.

Mr. Roy: I discussed with the minister and Mr. Smith the opportunity that was given to people to make representation. Apparently, they were given full opportunity. The advertising took place at the regular intervals that are provided by the legislation; my friend the minister indicates four times. The dates that advertisements took place were indicated at the bottom of his communiqué so people could make representation. Apparently the people involved, the people who are objecting now, did not avail themselves of this opportunity.

The minister, the city of Ottawa and all those people involved assure us that we are not depriving anyone of an opportunity to make certain representation. Basically, as I understand the problem, the objection is based on the fact that they are saying, “Before you enter into any sort of agreement”—which they did back in May 1979—“you should have taken steps that these streets were closed.”

In other words, they say: “You went about it”—if I may use the vernacular—“ass backwards. You have entered into an agreement and then you went about closing the streets. What you should have done was to have gone ahead, closed the streets, and then entered into an agreement between the city, the region and the federal government.”

If we were trying to correct the technicality involved in the process and we were depriving people of an opportunity to be heard, I would have some reservations, but this is not the case.

As I understand the minister to have explained it, the city and all those involved do not want to get into a situation whereby because of a legal technicality a whole project is jeopardized—although they still feel they have not done anything wrong.

The fact remains that there is this legal, technical situation which could jeopardize and slow down this project at this time. When one weighs all the factors involved, all members will be pleased to know that in this situation we are not depriving people of basic fundamental rights. We are just going back and saying that the agreement that was entered into at such and such a time and the transfer of these streets and highways shall be valid as of May 15, 1979.

For all the reasons I have outlined, I think this legislation deserves the support of all the members.

Ms. Bryden: Mr. Speaker, we in this party also would not like to pass legislation that is retroactive. But in this case it appears the legislation clarifies steps taken to indicate beyond a doubt that they did carry out the requirements for involvement and consultation with the affected property owners in working out agreements when this project was undertaken.

If this legislation is not passed, I understand the ongoing project will be delayed while the court sorts out whether this sequence of steps that was taken was in accord with the intent of the legislation for consultation with the persons affected.

8:10 p.m.

The member for Ottawa Centre (Mr. Cassidy) has informed me that he has investigated the situation very closely, perhaps even more closely than the member for Ottawa East. He believes the proper steps were taken to allow those affected to be consulted and involved. He feels it would be a very bad situation if this project were to be delayed.

The project is a very important revitalization of Rideau Street. Not only will it create considerable employment during construction, but it will also increase the economic potential of the city of Ottawa and produce some very nice aesthetic improvements in the Rideau Street area in the way of landscaped pedestrian links and things of that sort.

I can understand the anxiety of the Minister of Municipal Affairs and Housing to make sure this legislation gets through, because the province has put up \$12 million for the project to

help build a convention centre, and I am sure he does not want his \$12 million going down the drain.

It appears that all parties feel this legislation is justified as a special case to avoid a technical challenge to the procedures that were followed, but I hope that it will not happen very often and that in our legislation we will spell out very carefully what steps must be taken so there is not the danger of a technical challenge which appears to have arisen in this case.

For the reasons I have stated, we in the NDP will support this bill.

Mr. Nixon: Mr. Speaker, I believe the last time we had special legislation associated with urban revitalization was when a bill was brought forward by the minister to assist the city of Brantford. I well recall my colleague the member for Ottawa East opposing the bill at that time and speaking very strongly in support of those citizens whose rights might have somehow been infringed.

The minister himself, who was very anxious that the bill be carried, could not bring himself to enter the House on that occasion, as he may recall; so the Brantford bill was cast upon the mercies of the great orators from all three parties, who all of a sudden discovered how terrible retroactive legislation could be and how awful it might be if regular legal procedures were set aside by an act of the Legislature for the benefit of a city that was trying to use provincial and some federal funds to rejuvenate itself and perhaps get away from some of their problems.

Now the city is not in my backyard. Here we have a situation where, Ottawa having closed the streets and made all of the decisions for which they evidently did not have the proper authority—although the minister is wagging his finger at me, meaning that we really do not need this authority at all and that everything is okay—we are returning to this fount of all power to say that whatever they did is okay. It must be politically potent, since all the members from Ottawa think it is an okay business.

The last time this happened it was all the members from Brantford and Brant county, who admittedly were not nearly as influential as this gang, who were going to ride roughshod over the rights of the common citizens and the normal procedures to declare by an act of the Legislature that what had been done was proper and legal.

Whenever I see phrases in a bill, such as "whatever they did is according to the bill hereby validated," I know there has been some

pretty severe goofups by the local minister. The poor minister, whatever he does, usually finds himself as Mr. Fix-It for the municipalities. Even in the instance of Brantford, when municipal matters were still carried by the Minister of Intergovernmental Affairs, it was the poor Minister of Housing, who was scrounging \$6 million for the city of Brantford, who had to put forward a bill which would have declared a proper and legal course of events but which the House decided it could not accept under those circumstances.

If the problems experienced by the city of Ottawa are anything as severe as those experienced by the city of Brantford, I am glad I have the generosity and breadth of vision to accept the leadership from those people who are very closely associated with it. Casting aside some of the natural Liberal concerns I might have for anything that might be deemed to be retroactive—which is heinous in the mind of anybody learned in the law—casting aside those natural concerns, I am delighted to support the legislation.

Hon. Mr. Bennett: Mr. Speaker, I wish to thank the member for Ottawa East and the member for Beaches-Woodbine for their support, and to point out to the member for Brant-Oxford-Norfolk—like the Premier (Mr. Davis), I have difficulty getting that straight; it has so many titles to it—just for the member's edification, that the minister might have been called upon at this time to correct something, or a possibility of something, that is not done exactly as it should have been legally.

I did not initiate this particular operation. I would like to advise that there were lawyers—

Mr. Nixon: Your name is on the bill.

Hon. Mr. Bennett: It is on this bill but not on the original agreement of May 15, 1979, which was signed and prepared by the great legal counsel for the federal government, by the great legal counsel for the regional municipality of Ottawa-Carleton, by the great legal counsel for the city of Ottawa, and indeed I think there was a fair amount of outside counsel retained to try to get it drafted properly.

As a result of somebody interpreting which should come first, as the member for Ottawa East said, they got the cart before the horse. The lawyers would only know that. The member for Brant-Oxford-Norfolk and I, not having been taught in the law, we can only take it for granted that they would know they have got the cart before the horse.

There is a slight difference between this bill

and the one the member for Brant-Oxford-Norfolk was talking about respecting Brantford. The Brantford bill happened to be a private bill. I would not want at any time to suggest to the member for Brant-Oxford-Norfolk that if the present member for Brantford were carrying the bill, the situation might be somewhat different, but I am inclined on occasion to think it might be possible.

To the best of my knowledge, and I have indicated it to the members, the procedure required under the act for closing of streets was followed in terms of advertising, with three bylaw readings on more than one particular day, and to a fair extent I gather everything by legal description was right, save and except they did happen to get the cart before the horse in signing the agreement with the federal government.

I appreciate the House's support to clear up a matter that has significant economic impact on the nation's capital and that will be rewarding when those great national conferences take place in the city of Ottawa. From now on they will not have to be at Lansdowne Park in the horse palace. They will be able to take the member into a nice, modern conference centre, with a nice, modern shopping area and with a nice Westin hotel close to the Chateau Laurier and other government assets. It will be an outstanding achievement for that city; so I do appreciate the support.

Motion agreed to.

Ordered for third reading.

8:20 p.m.

CITY OF OTTAWA ROAD CLOSING AND CONVEYANCE VALIDATION ACT

Hon. Mr. Bennett moved third reading of Bill 167, An Act to Validate certain Road Closings and Conveyances in the City of Ottawa.

Mr. Roy: Mr. Speaker, I cannot let the remarks of my good friend the member for Brant-Oxford-Norfolk go by without correcting the record, because all members will want to know this. I was waiting with some trepidation. I thought we would get this bill through before he got in from dinner hour. I know he is like an elephant and never forgets.

There is a major difference in this bill. As the minister so well commented, the sponsor of the bill is quite different on this occasion. I am convinced that, had the member for Brant-Oxford-Norfolk been the sponsor of the

previous bill emanating from the city of Brantford, the situation might well have been different.

Mr. G. W. Taylor: Who was the other sponsor?

Mr. Roy: I do not want to be overly nasty to people who no longer are around the table here.

There is another fundamental difference, Mr. Speaker, and you would be concerned if I did not correct the record. The difference is this: in the Ottawa bill, the retroactive provisions do not deprive any citizens of existing rights at hearings, appeals, et cetera, because the procedure was followed; whereas in the Brantford bill, and this was the nasty aspect of that legislation, it would have deprived citizens of hearings before the Ontario Municipal Board. My colleague will recall that. That is where my sense of civil liberties, civil rights and so on became—in fact, the sense of justice of most members of this Legislature gave us concern about the Brantford bill.

I want to put on the record that we did it with heavy hearts, if I can talk as the member for Brant-Oxford-Norfolk sometimes talks. We did it because of our conviction that the bill was depriving citizens of hearings and existing rights. That is the difference between the two bills.

Mr. Nixon: Mr. Speaker, I am speaking briefly to third reading as to why it should or should not now be read a third time. I appreciate that my colleague assisted me in this matter when he said everything in the Ottawa bill was done according to the rules, except now we require special legislation to say, even though it was done according to the rules, if there was any teensy flaw in that it is all to be set aside and, using the undoubted powers of this House, any question that might be put on those matters is once for all laid to rest.

I am delighted to support my colleague in his efforts to maintain his undoubted popularity in this municipality.

Motion agreed to.

MUNICIPAL BOUNDARY NEGOTIATIONS ACT (concluded)

Resuming the adjourned debate on the motion for second reading of Bill 147, An Act to facilitate the Negotiation and Resolution of Municipal Boundary and Boundary-related Issues.

Ms. Bryden: Mr. Speaker, when I adjourned the debate on this bill last week, I was pointing

out that the bill may be bringing in a new process of settling boundary disputes and may be eliminating some of the long delays and some of the acrimony that has stemmed from past methods of settling boundary disputes, mainly through referring them to the Ontario Municipal Board if they could not be reached by mutual agreement. But when one is looking at a new system, one wants to make sure it is a good system, one that is fair and takes into account the interests of all the parties.

What concerns me about this bill, as I mentioned in my earlier remarks, is that it contains too much ministerial power. If the law is to bring justice between parties, it should be seen that the process is operated by impartial people. There should be opportunities for the public to have input and there should be rights of appeal, and this bill is defective in many of these aspects.

We are planning to move some amendments to remove some of the excesses of ministerial power in the bill and to provide for different procedures that will provide more public input. If these amendments do not pass, we may consider not supporting the bill on third reading.

I received a brief from the township of Vespra, which has been involved for about seven years in an annexation application by the city of Barrie, and it has gone through many years of hearings and expenses. The situation is still not settled, partly because it was appealed to the Supreme Court of Canada, and there may be need for another hearing.

They have put in a brief on the principles of this bill. I would just like to read one paragraph from their brief because I think it sums up the attitude that we should take to this bill. I quote: "Any new method found, however, must incorporate some of the basic rights which are fundamental to the society of which we are so proud. In the event of dispute, there must be the right to call upon a means of arbitration which will permit all parties to produce their case, and which will hear the views of the public.

"There should be no predetermined solution, and the arbitrator should not be subject to bias of any nature whatsoever. In addition, we would maintain that in this, as in any other form of dispute, there must be a right of appeal to a higher body, based upon the usual rules of error by the arbitrator in either law or in fact."

That is the end of the quotation I want to read into the record, but they do go on to make the point that in a democratic society those are the

principles that should govern this kind of legislation, which is introducing a new method of settling boundary-related disputes. These settlements may affect the lives of thousands of people, and therefore I think we should consider it with great concern to make sure the decision-making is fair towards them.

One of the areas the township of Vespra and others have pointed to in this bill is that there will undoubtedly be a great deal of delegation to civil servants, to nonelected people, because almost all the steps in the act are given to the minister, who then may delegate his powers to nonelected civil servants. While many of them do a very admirable job, the fact is they are not accountable to the Legislature. They are employees of the ministry and therefore it is difficult to regard them as being completely impartial.

Another area where there is a danger the public may see a lack of impartiality is in the appointment of the chief negotiator when the collective bargaining process is to be followed. The minister simply appoints from a secretariat one of his employees as the chief negotiator.

It seems to me that when we are dealing with disputes or conflicting interests of two areas, we should have the arbitration carried out by a representative from each of the areas—this is provided for in the bill—but the chief negotiator should be someone acceptable to all the other parties. This would mean one would probably have to draw from a panel of experienced negotiators who would not necessarily be employees of the ministry; it would give the opportunity for the parties to choose a negotiator on whom they could all agree.

8:30 p.m.

Under section 14 of the bill, the minister is given power to make orders in 24 areas and these are areas that affect people and their lives very closely. They affect, for example, official plans. They affect the payment levels to municipalities under grants programs. They affect the transitional protection of employees affected by annexations or boundary changes. They affect licensees under the Public Vehicles Act. Many other areas are affected. When the minister is given the power to make orders in so many important areas following a collective bargaining process, it seems to me there must be both public input at all stages and also some right of appeal.

This act provides for public input at only one stage. That is after the whole collective bargaining process is gone through "there shall be notification and a public meeting of the final

proposed settlement.” As I mentioned in my speech last week, the public should be involved at the very beginning, as soon as an application is made for an annexation or a boundary change. But that is not provided for in the bill. I think that is an amendment that should be put in.

As far as the notification goes, the bill is defective in that sense too. It just says “by such method as the minister or Lieutenant Governor in Council may determine.” So whether he puts a notice up in the town hall or whether he puts a notice in the Ontario Gazette he can determine if that is satisfactory. What is needed is notification in a newspaper that circulates in most of the area affected. I think that should be spelled out in the legislation.

After the proposal has been notified to the public and they have had a public meeting to find out the details and the council has had a public council meeting to listen to objections, then the ball goes back into the minister’s court.

He is allowed five courses of action: if there are a lot of objections he can refer the question back to the party municipalities who have been negotiating; he can refer one or more issues to what is known as an issues review panel; he can refer questions to newly appointed hearing officers that he will appoint; he can refer questions to the Ontario Municipal Board, or he can dismiss all the objections on the grounds the public interest outweighs the objections, which means he could completely ignore objections and there would be no right of appeal.

The issues review panel causes me some concern. It does not say who the people are who will be appointed to the panel. It does not say they should have had any connection with the municipality or that they might possibly be people who are nominated by some of the municipal associations. It is just minister’s appointments to whom any issue can be referred for advice. The bill does not say what happens to their advice. Presumably the minister puts it either on his desk or in the wastepaper basket. But they do not have public hearings as far as we know. They simply are a group of people appointed by him to look into the thing in more detail.

It seems to me the Ontario Municipal Board might be a better place to send the thing if there has been no agreement. But they are also given the job of having items referred just for recommendation. I cannot see that we need both an issues review panel and a referral of this sort to the Ontario Municipal Board.

Perhaps we should consider, when there has been no agreement and there have been many objections raised, whether the minister should not have the option to go back to the previous route which we have had in our municipal legislation. That is, refer the whole question to the Ontario Municipal Board for a quasi-judicial hearing with all the parties given an opportunity to appear and then the OMB will make the final determination. It seems to me this legislation should give both those options. The collective bargaining process can be tried. If it does not work then the OMB should come back into play as the arbitrator between the parties.

When we involve the Ontario Municipal Board, we have the clause under the Municipal Act where the decisions of the OMB can be appealed to the cabinet. So we have that additional opportunity for the public, if they do not like a decision, to make a petition to the cabinet, and that is under the present legislation.

Another area that bothers me is that if the minister decides he wants to change an order that has been issued, he can do it without giving the public notice that he had to give on the original order. It is true the parliamentary assistant has said he is going to amend section 19 which calls for this change in order, but I do not really see that he has solved the problem. He says if a change in the order is to be made because the order does not fully carry out the intent and purpose that was intended, the minister may do so without any public notice.

I do not know why else one would change an order unless it was because one wanted to change something that had been done originally. It sounds to me as though the change in the order could permit additional hectares to be transferred from one municipality to another. If something like this is going to happen there should be notice to the public before it is carried out, in the same way the original order had to be notified to the public for the objection process.

As far as using the Ontario Municipal Board as a referral body, we think that part of the bill should be changed so that anything that is referred to it is referred to it for final decision, with the right of appeal to the cabinet.

Moving on to the section of the act which repeals section 11 of the Municipal Act and replaces it with a whole lot of new sections, this deals with the erecting of villages into towns, and towns into cities and so on.

It seems rather surprising that all the summaries of the bill and the compendiums hardly

mention this part of the act at all, even though it changes considerably the present Municipal Act. One of the areas where it changes is that the OMB's role is retained in this section for various dealings with annexations or dealing with changes in municipal status, but the right of appeal to the cabinet is wiped out in this new bill. It is under the Municipal Act for all other OMB hearings, but it is wiped out in this bill.

Also, in the changes to section 11 of the Municipal Act, the right to compensating grants has been wiped out for local municipalities and counties when there have been annexation changes, and it is left in only for localities. That term is defined in the Education Act to mean territory without municipal organization. So it appears that the government is ducking out of providing any compensation except for territories without municipal organization. That, I think, is a fairly significant change.

8:40 p.m.

There is another section that has not had much attention drawn to it, and that is the costs to the party municipalities involved in an annexation or boundary change. The minister can simply stick them with all his costs of making studies and allocate these costs to the municipalities regardless of whether they thought the studies were necessary or not. The minister is generously willing to pay for studies by party municipalities if they convince him they need them, but his studies are much more likely to be extensive, and the municipalities concerned all have to share in the costs as he decides what their share should be.

The township of Vespra, I think, makes a very good point when it says the initiator of the annexation proposal is the one who should pay any costs that are put on to the party municipalities. In many cases the municipality that is having land taken away from it certainly does not want to lose that land; it has to put up a lot of money to fight against the loss of that land, and it should not also have to pay the costs of the negotiation procedures.

I really do not think the minister should stick the municipalities with the cost of his own studies. If he is going to assess any costs against the municipalities there should also be a staggered program so that municipalities with low assessments do not pay as much as those with higher assessments.

I would like to have seen a provision in the bill for some public funding for the ordinary citizen who may get involved in these hearings by either putting up objections to the proposed settle-

ment or by appearing at the public meetings. If he has to travel some distance, for example, there should be funds available to make sure all the parties affected by the decision have an opportunity to present their cases adequately before the municipal council and at any public hearings that are held.

Those are other areas in which I think the bill could have been improved, and we will see whether we can make some of these improvements in the committee stage. With those stipulations we will support it on second reading.

Mr. G. W. Taylor: Mr. Speaker—

Hon. Mr. McCaffrey: I thought you were down at the Clark dinner.

Mr. G. W. Taylor: My friend the honourable Minister without Portfolio thought I was down at the Clark dinner, but I usually play to overflowing audiences and that is why I came here. The government benches are usually overflowing when I speak, but they must be at another dinner, as he has suggested.

Hon. Mr. McCaffrey: We will see how responsive they are when you close.

Mr. G. W. Taylor: But leaving his frivolity aside, I am greatly pleased to speak on this piece of legislation, particularly in light of the fact that the Barrie-Innisfil-Vespra annexation, which gave birth to this legislation and which has been going on since 1970, culminated only yesterday. After winding its way through many of our administrative tribunals and the courts, it culminated in a settlement between two of the three municipalities involved. I might add that was done at enormous cost to the participants involved, being the municipalities, for the payment of their legal and planning expenses over those years.

I have often stated to those individuals, as I roamed around my riding, that some individual communities have expended sums in excess of what they might be able to without the prior permission of an Ontario Municipal Board hearing. They have done so in defending their positions in these different tribunals under the heading planning and legal fees. Had they decided to go out and buy an alternative, such as an arena or some other thing they wanted to fund, they would have had to receive Ontario Municipal Board approval in all probability.

What are we replacing with this legislation? We are replacing the Ontario Municipal Board hearing method we previously had. I guess if members were to look at the legislation that

originally went through, they would see it created the normal route that has been in existence for a number of years. The individuals putting forth that legislation would have asked, "Have we created a very fair, equitable, efficient and fast system?"

That was done before the different municipalities hired their lawyers, and before they decided that what was being done by one municipality was not quite what the other municipality decided was the route all of them desired to go. We then put politicians, both provincial and municipal, into that system. When the original legislators put it forth they called it a fine system. I am sure when they passed the legislation they patted themselves on the back and went out and said, "This will solve all those future municipal problems. We now have an independent tribunal that will listen to these issues and problems."

We are now starting with another piece of legislation that is replacing that earlier one. I suspect the individuals who have drafted this legislation think it is the ultimate solution. It has gone before different municipal committees and municipal organizations. Some politicians have participated in the municipal organizations that have advised the minister and advised the draftsmen of what would be the best terms, procedures and routes to put into this legislation to get around the things the other procedure has given birth to, such as slowing it down and causing delays. I am sure when they put this piece of legislation together they thought they now had the ultimate solution.

I am not so naive as to believe this piece of legislation does that. It will be going to committee. It will need some amendment. It is not perfect as it is now laid out before the House. After reading the history of the piece of annexation procedure that has been in the mill for some 12 years and before the courts for approximately four or five years, after starting out from the Ontario Municipal Board and going to the highest court in this land, the Supreme Court of Canada, and knowing what they are trying to avoid, they see this is probably going to be a method that will resolve this.

I heard the member for Beaches-Woodbine putting forth positions that she had heard from different municipalities in the area and from the brief they have presented to me and the minister. I am sure some opposition members have the same brief. In it the municipality looks at it from its viewpoint but, when we look at this

piece of legislation from the viewpoint of the province and the good of all citizens, we are looking at it from a different vantage point.

Some of the people who have been advising the minister on what will resolve this are in the gallery today. They have seen this develop and been a part of it, as I have been a part of it. Mr. Brian Isaac has been watching this over the years. They are trying now to put in place something to resolve those difficulties. I can fully foresee that when we get some lawyers, planners and politicians in on it, rightly or wrongly protecting what we will call their turf, they will also show up some of its inadequacies and some of its deficiencies—although it could show up some of its more generous and positive features to bring a quick, expeditious and less costly resolution of boundary disputes.

8:50 p.m.

We must start with boundary disputes, although we know it brings into play many other items of municipalities. We have to start, as I like to do, with a basic premise—which does not meet with the approval of all competing municipalities, individual residents, individual elected politicians, planners and others—a basic premise such as the Ontario policy that there are basically two styles of communities in this province. We can categorize those two styles as being urban in nature or rural in nature. They have different features; planners of the overall policy of Ontario they should be separate.

They perform different functions. When they do, we look at them for two reasons; one will be the planning function of those municipalities compared to each other. Into that planning comes the very vital feature of assessment dollars from the style and planning. When I speak of assessment dollars, I get back to that other function of a provincial nature, the different grant and assessment structures provided by the provincial legislation when we compare rural and urban communities. Anybody who has had experience at the municipal level in either a rural or urban community knows that different moneys flow because of that, be it for roads, sewers, planning or general assessment. All those features are made up taking full knowledge of the type of community and the assessment that is available.

We have all watched the jealousies between communities over the years and how they have been resolved. We have had amalgamations, consent annexations before administrative tribunals, regional governments put into place, and two-tiered governments. The people in this

forum have seen that history develop over the years, the background behind it and some of the good results that have flowed from those decisions that were made early in the legislative history of this province, separating urban and rural communities.

Let us look at what those communities do. Rural communities, as the term has been put forward in policy, carry out the rural agricultural philosophy of this great province. They should not be treading on those things that are characteristic of an urban community.

One can very easily see an urban community's roads, its sidewalks, sewers, libraries, arenas, garbage collection, street lighting, transportation systems, apartments and commercial and industrial development. All those things need hardcore services. That is why it is better, according to our planners—and I would hate to challenge some of those planners over the years—that the urban features belong to an urban community and the rural community should be rural.

This is not the first annexation proceeding nor the first dispute that has been created out of boundaries. We have seen rural communities taking on characteristics of an urban community, particularly when they come very close to the urban unit. That is not very difficult to find. The rural community puts in a shopping plaza or an industrial mall and we watch the deterioration of that urban core. One cannot blame businesses. A developer sees cleared land, and it is easy to pave it over. We have our buildings up, we have our shopping plaza and the people are pouring in with their cars. We have seen the social development take place.

Meanwhile, the urban core of the community is deteriorating. It is losing its assessment to that outside development known as the modern-day shopping mall. Then the urban municipality has problems and, the first thing we know, those urban people are down here, saying: "What can we do? We are losing this vital assessment. We have certain features in place—sewage treatment plants, schools, roads and all those things—to look after, but now we have lost our assessment because it has gone outside to that rural community."

We develop a system, and again the province rightly comes to the aid of these communities with some good projects. We start with the main street projects, the downtown revitalization projects, and then assist these urban communities with further grants so this deterioration problem has now begun to be corrected. This goes on in city after city and community after community.

Meanwhile, one cannot blame the developers. They go to this anxious rural community and sit there and say, "Great, you can have a shopping plaza within a week." I have seen that happen in my community. I have seen the problems that have arisen and the jealousies that have been created. Then there are the problems of trying to settle that.

I can empathize with those people on the outside, because it will make some changes in their taxes. They are going to lose in one situation some \$2 million to \$3 million worth of assessment from those shopping plazas if the OMB decision is finalized and those shopping plazas are taken into the urban core.

Yet if one were to say to those individuals, "Would you put that urban plaza away up in the other end of your community?" they would say, "No," because it would not get any people to go to it. I think that emphasizes the argument that those are urban features and belong to the urban features.

A rural community must maintain its rural nature and character. We have our food land guidelines which are designed to try to save this rural land. We all know it is a prime necessity in the province to save that food land for the necessity of providing for our future.

When we look at the procedures that are in here, it might be that we have taken too much away, put it in the statute and perhaps given too much to the minister. Should there be perhaps an alternative procedure with the Ontario Municipal Board hearing being there? Should it be there as an alternative to this structure, rather than moving it out entirely and following this route, because some municipalities may enjoy that litigious and costly route?

I watched the opening of the Ontario Municipal Board hearing on the Barrie-Innisfil-Vespra one. I will state it quickly. There were numerous lawyers from the Metropolitan Toronto area, far more than at any other hearing; and I guess if one went down the list there would be many. I will not quote the author, but one author thought it would be of great assistance to the life of the communities if they got rid of all the lawyers. I am paraphrasing that author and that statement. Had something gone wrong at this particular hearing, that author's words would have been very true.

It was a hearing that lasted a historic number of days, and the cost was enormous. When the municipalities took the litigation to its final step in the Supreme Court of Canada, they nearly had what we would describe as a hollow victory,

because they had to go back to the Ontario Municipal Board to get the final resolution. There was an argument over population. There was a question as to whether they had adequate information on the population figures when the OMB hearing went through the first time.

Even if they went back today, I have stated that the population figures might not change those boundaries a great deal, if they changed them at all. They went all the way to the Supreme Court of Canada, with the inherent costs of that, and arrived back at the bargaining table. They have seen the difficulty now.

We have had a change in the makeup of some of the councils and in some of the features of their thinking. When the ministry people came in to put forward a solution to these people in a negotiated fashion, they were able to see more of what was taking place. In the slowed-down process of negotiations, they got more than they could ever have received in an Ontario Municipal Board hearing.

These local politicians sat down around a table, which is what the citizens wanted, and started looking at these positively to resolve the problem and to get it over with, because the whole area was becoming stagnant. If one does not have a vibrant commercial and industrial urban centre, the rural community surrounding it suffers. It was very apparent that had to be solved, and the outside communities have brought themselves to the table and have resolved this particular problem.

9 p.m.

I said they solved even more, and that is what this bill sets out. There are a number of features telling what the minister and the negotiating team—the issue review panel—can do. They can do more than an Ontario Municipal Board hearing can do, and it can be negotiated; items can be put on the table.

When we go into an Ontario Municipal Board hearing, one of the unfortunate features of the hearing is that it is an administrative tribunal and, although some people will not acknowledge it, administrative tribunals in one form or fashion are to emphasize and follow the policy decisions and directions of a provincial government.

Some of the statutes that we put forward in this Legislature have that in them. They say that this is the policy of the province and the tribunal that will hear this will follow the policy of the province. That is one thing that is very difficult for people to understand. There is often litigation over whether that is a correct feature of an administrative tribunal.

Administrative tribunals do not give out justice, as we expect of a court; they follow a prescribed form. They are trying to give the individuals the best hearing possible, but they still have to follow the direction of the province, be it a transport board hearing or be it, in this case, an administrative tribunal that is conducting a hearing on land boundaries.

When there is this feature of an administrative tribunal, be they the litigants from the municipalities, be they the litigants representing developers, or be they the litigants of individual land holders or citizens' groups, they put their information into the hopper, being the hearing officer of the Ontario Municipal Board, and they do not know the result until the decision is given.

At that point in time there may be satisfaction or dissatisfaction, depending on the point of view they had before, and the material put in there. In the process that is coming forth now, I can put items on the table; as has been described by the member for Beaches-Woodbine it is a bargaining or arbitration process. I will exchange this item for that item, or four of these for five of those. They can come back again and rediscuss that.

They do not have to wait until I have made a decision, as they would if I were an Ontario Municipal Board hearing man, and said, "Sorry, this is my decision, and that is it," and then follow the appeal route. There is ongoing negotiation throughout; so a lot of the items are settled and agreed upon, and the parties can then put it together in an agreement that can become legislation.

There are some rewards and rewarding features in this particular forum that are not available to us in any other forum. There are more of the items that can be put on the table here than in an Ontario Municipal Board hearing. In fact, in some they would have to make a return visit to the Ontario Municipal Board even after they have made their initial appearance.

This has advantages that cannot be found under an Ontario Municipal Board hearing. Of course, there are comments that it will be political because the minister is involved in it, but the process is political whether it is the local municipal people or whether it is us.

There are certain philosophies of the province, one of which in this particular area is the Toronto-centred region plan. That plan showed the development of the Metropolitan Toronto area and the satellite cities that were to grow up.

Those cities were to expand with certain amounts of growth. The province has led that way; it has put in the major roads, encouraged industrial development and provided for sewers so that growth is taking place in that direction.

There was a Simcoe-Georgian task force, which was a local group of individuals. The people who put that information together said: "Here is the direction we would like to go. Applying the basic philosophy of the Toronto-centred region plan, this is what we want for the local area, provided by the local people."

We now have that in the situation involving those local people. This has shown the way for this legislation to go. Undoubtedly, they got themselves into legal difficulties that at some point in time they should have got themselves out of, but could not; however, they finally did in this process of a negotiated settlement.

Other municipalities throughout Ontario had looked upon this one as the bad example that we must avoid—

Mr. Nixon: It is a bad example.

Mr. G. W. Taylor: As the member for the riding with the long name has just stated, the one in Brant county, the Brantford area, got together and negotiated it—

Mr. Nixon: Barrie has made five millionaires out of the lawyers who worked on that one.

Mr. G. W. Taylor: I do not want to contest the facts. The only difficulty in the member's statement is that they were not local lawyers, either; they were Metropolitan Toronto lawyers.

When we get this legislation together, Barrie was the example other municipalities did not want to follow. They were all looking at this Ontario Municipal Board proceeding. The one in Brantford and Brant county was the prototype of this legislation. Those communities, those politicians got themselves together; they put their feelings, their ambitions, their hopes and their emotions on paper and they resolved something. That was used as the prototype for the Innisfil-Barrie one, which has now reached its resolution. Indeed, the legislation flows from it. It does have some possibilities. It does have some hope.

When it goes to committee, when it is completed at the committee level and some minor touchups are given to the bill, and maybe even some major ones, I hope we will have a better procedure for resolving boundary disputes between different communities.

These things do create animosities, as the

member for Beaches-Woodbine said earlier in her remarks; they do create difficulties between the communities where they fight it out, and understandably so. There will be changes that some people will not like. Some of them will hit them in their pocketbooks because they are living in a rural community, receiving certain grants, paying less taxes because of the assessment and our market value system, and when they come into the urban core to share those services they are sharing on the outside.

If they were truthful, they would just admit that they share those urban facilities but want the lower taxes on the outside of the community. One cannot live in a rural community and in all justice and truthfulness say: "I am not a farmer. I just want that rural facility, and I want next door to me all those urban features—but I want those urban people to pay for them. I want my taxes to be as a rural agricultural community." That is not the philosophy of what the province is trying to do. That is not the direction we should be going in. I hope this bill will resolve those features.

Those are some of my thoughts on this. I hope to participate in the committee when this comes forward. There will be further discussion on this when the legislation settling the Barrie-Innisfil annexation dispute comes before this House. It has had first reading now; it will be coming up shortly for second reading.

I hope that the work of all the parties and those people who have been so familiar with this legislation and the problem that has resulted in this will advise us wisely and that we will use this information wisely to produce a bill that solves those future problems, I hope expeditiously and at less cost for the individuals, and that their communities will be the better for it.

9:10 p.m.

Mr. Nixon: Mr. Speaker, I am delighted to hear the comments made by the member for Simcoe Centre. I know the parliamentary assistant, who has the carriage of the bill, was very glad to listen to him as well. They are just discussing how glad he was to hear him at this very moment.

Before I get into the body of my remarks, we should put on the record that even though this is a save-Joe-Clark banquet tonight, the Minister of Industry and Tourism is here loyally in his place, for some reason.

Hon. Mr. Grossman: We drew lots and I lost. I had to miss the dinner.

Mr. Nixon: I usually do send copies of my speech to Joe Clark's office, but I will be sure that tonight we faileth not.

The member for Simcoe Centre made a good point when he said the Barrie-Innisfil problems were an example of everything that was bad with the legislation and the leadership of this government in municipal difficulties. On the other hand, the solution in Brantford and Brant county, with great respect to the government of the day, is an example of one of their better initiatives.

As a person who has been known to be critical of legal fees and the attitude of lawyers and others learned in the law—or of lawyers learned in the law, who I guess are the worst kind in their fees associated with municipal annexation and negotiation—I can say that the Barrie situation is a classic. There, the legal fees alone were well in excess of \$1 million.

The list of firms and individual lawyers who were associated with the case is just a running list of the major Tory lawyers, headed by Goodman and Goodman, naturally, who were in on the big take up there in the poor, innocent hinterland of Barrie and Simcoe county, where they feel for some reason that if they do not have a Toronto lawyer they really are not in business.

It is always a shame, because I know the honourable member himself knows that some of the very best lawyers in the area are indigenous to Barrie itself. Not all of them have been successful in politics, but it was not for want of trying.

Mr. G. W. Taylor: Four times he tried.

Mr. Nixon: Well, the fifth time, boy, he is coming in.

As far as the bill is concerned, Mr. Speaker, and I know that is the matter that interests you principally, the alternative to the terrible legal confrontation that we experienced in Simcoe county, the experiment in Brantford and Brant county that has led to this bill, was one of the most interesting and successful ones we have seen in a long time.

Before that, it was considered as a matter of government policy that the imposition of regionalization—or, since the member for Oxford (Mr. Treleaven) is here, restructuring—was considered the final solution, if I may use the phrase, to problems associated with municipal controversy.

In my own view, the so-called restructuring of counties was in the same unacceptable bag as regionalization. The regional governments them-

selves have given us in opposition a litany of everything that is bad about the imposition of so-called solutions from this senior level.

In the days of Darcy McKeough, whose whole aim was to regionalize the southern peninsula of Ontario—as a matter of fact, right through to Ottawa—it was apparent that until we finally got him fixed up with another job we really could not stop the regionalizing process.

I thank the good Lord and the political fates that I was able to assist the good citizens and ratepayers in Brant county to resist the pressures for regionalization that were urged upon us by senior levels and by those in our own community of a Conservative persuasion. We have been called in some respects the hole in the regionalized doughnut.

Of the many accomplishments that I take credit for personally, even though I was in opposition, nothing gives me greater pleasure than the fact that our area was able to resist that fate, which to the taxpayers in a municipal world is worse than death because of the high costs of regional government and the shortcomings and inadequacies that are now so apparent in regional government in general.

Up until this statute, regionalization was considered to be the only solution, if not the final one. There are many areas where regionalization was imposed, where a continuation of boundary disputes have really been as disruptive and have led to about as much acrimony and local problems as they did before regionalization.

A classic example is the boundary between the restructured county of Oxford and the region of Haldimand-Norfolk near Tillsonburg. The honourable member from Oxford would know, as would certain ministers if they were here, that one of the areas where this bill may very well apply in the near future would be in the solution of that very problem.

Mr. G. W. Taylor: It is exempted, section 3, Oxford.

Mr. Nixon: Accepted or exempted?

Mr. G. W. Taylor: Exempted.

Mr. Swart: Nice to have read the bill.

Mr. Nixon: All right. Thank you very much. Read it? I wrote it.

The problems that have been festering there, and that is really the only proper word to use, have given rise to a good deal of municipal and fiscal dislocation as well as the kind of bad feelings that often resulted when elected municipal politicians, defending the rights of their

own territory as well as their own citizens in attempting to do the best for themselves, were confronted with an impossible situation, a situation which up until now really had no rational solution at all.

I am not naive enough to believe Bill 147 is going to be successful in all instances to produce an amicable settlement. Certainly it requires elected officials of goodwill at both levels, and experience. When it came right down to the application of the experimental procedure in Brant county I must say we were fortunate to have officials, elected and otherwise, of goodwill. I must also, in his absence, give a good deal of credit to the Minister of Intergovernmental Affairs (Mr. Wells) who, in those days, had the carriage of municipal business as well as federal-provincial policy.

I do not believe the minister intruded unnecessarily into the matter; but his officials, I am sure, earned the respect of those participants at the local level on all occasions.

While the mayor of Brantford and the county warden of Brant, as well as various reeves and other municipal officials, were adamant that they were not going to give in to what they considered unfair demands from the opposite side, they finally saw, when the experimental procedure was laid before them, with all of the checks and balances and all of the careful edging up towards the boundary of both sides, that they had a meeting of the minds and an agreement. So far in the experimental procedure it has been reasonably well accepted by both sides.

I was not a party myself to the negotiations but I am glad to say that both the provincial and municipal levels were kept reasonably well informed. I certainly believe those people felt from time to time the process was going perhaps unfairly in one direction or the other and were quite quick to indicate their concern to provincial politicians, the previous member for Brant and myself.

There was never an occasion I recall where our advance reference of these concerns to provincial officials went unheeded. I felt they were as responsive as one could ask under these circumstances. The point is that while we, as a Legislature, can establish a structure, it still depends for its success upon the goodwill of the elected and appointed officials at both the local and the provincial level. I think that is obvious in many of our endeavours, but no more so than in a situation which we are trying to design

which will take us away from any confrontation procedures designed to give the solution to some of these long-standing problems.

There was even one occasion when the provincially-appointed mediator undertook to invite the chief representatives of both municipal parties to go with him and the other provincial staff out of the community entirely. I think they went to Niagara Falls, not Welland.

9:20 p.m.

Mr. Swart: Niagara Falls.

Mr. Nixon: There are lots of interesting facilities down there anyway. They carried on meetings away from the glare and pressure of the media and other politicians so they could get away from it entirely and have a frank review of the outstanding issues.

Naturally in a bill such as this we look for the sections which, notwithstanding the failure of previous sections, are going to lead to agreement. This is a matter I am sure is going to lead to considerable discussion, perhaps on second reading but certainly in the review of the bill by the committee of the whole House. There are some aspects of the bill I am sure can be improved.

I have had the advantage of looking at the amendments from the New Democratic Party critic. Some of them are very good indeed and we will have a good opportunity to discuss them. My own colleague the member for Waterloo North (Mr. Epp) has had substantial municipal experience himself as mayor of Waterloo, necessitating, in his approach to thorny and difficult problems at the municipal level, the kind of long-sightedness and commitment to a commonality of interests that would lead to agreement.

I think there is goodwill on all sides of the House for the acceptance of this bill. As an alternative to further regionalization there is no doubt it has many advantages which recommend it. One of the statements made by the present Minister of Intergovernmental Affairs when he still had some responsibility for municipal matters was that the government, as a matter of policy, had rejected once and for all the so-called regionalizing alternative. That was good news indeed.

It is something I was glad to hear. I remember going back to the original Smith report on taxation in the province when the commissioner, as he then was, made the recommendation for regional government in Ontario. I did not realize, as I read those recommendations and

even saw the rough regional maps he had prepared for my own and other areas, the heart-rending controversy the implementation of his recommendation would lead to.

I do not know the way out of it short of a change in government in this province. The commitment of the present government, being in office for so long, does not permit it to review the extremely dislocating and expensive municipal errors it has committed as a way of correcting the matter.

It has established massive and expensive bureaucracies in the regions of the type we have grown used to at the provincial and federal level. One thing we do not need is another imposition of that kind of government at the local level.

I do not intend to get off on the good old round of complaints about regional government other than to say those people who feel the passage of time has ameliorated those problems at the regional level are not correct in that assumption. There is as much animosity and disappointment with regionalization in many of these areas as there was at the time of its imposition. I am thankful indeed the government has recognized its errors in its former policy of regionalization and has renounced that alternative.

At the same time, I wish it would come up with a program to correct those mistakes. I do not believe the mistakes are irreparable. While I am quite confident a change in government could correct them, it does not look as if we are going to have that for some months.

Hon. Mr. Grossman: Months?

Mr. Nixon: Months. Neither of us will last forever.

Hon. Mr. Grossman: My party might.

Mr. Epp: Larry for leader.

Mr. Nixon: Anybody who renounces Joe Clark when he needs help is going to have a little difficulty moving on. As you will recall, Mr. Speaker, Laura Sabia was looking for help, too, and where was the Minister of Industry and Tourism at that time? He was sitting in the House signing letters—that is what he was doing. So I do not know whether the party is going to be able to survive his leadership or not. I am on his side, but for reasons he might not fully appreciate.

I am glad the government has renounced the former solution to these problems, and I personally have a good deal of faith in this bill. Our experience in Brantford has been a good one.

There are some citizens who are still disappointed with the removal of their developmental rights in a so-called green belt around the city, which they felt was imposed on them against their will. That area was neutralized as far as development was concerned more or less to stop the urban spread that had been going on and, according to the city of Brantford, it sapped some of the economic life from their downtown core.

I know some citizens feel their right to develop was withdrawn without adequate recourse to hearings of the OMB, which have not yet been held in spite of all the provincial statutes. They send out a hearing officer. We expect the first hearing officer to arrive in January 1982, which shows just how slowly the mills of the Conservative gods grind. We are not even sure how finely they grind, but we will find that out after their hearing officers, established in the previous bill—the experimental bill—finally arrive in the Brant-Brantford area.

I support with enthusiasm the bill itself, which establishes in general legislation an experiment that I as the local representative am prepared to say to the minister was a success in Brant-Brantford. I say in closing that, as is so often the case in our endeavours, the words do not produce the solution; it is the goodwill of the men and women who are entrusted with the implementation of the program that really provides the solution on which we all depend.

Mr. Swart: Mr. Speaker, I am pleased to rise and take part in this debate along with many other members in the House, particularly my colleague from Beaches-Woodbine. I endorse the comments she made, which were thoughtful and quiet and carried a lot of meaning.

I am also glad to follow the member for Brant-Oxford-Norfolk. I hope he will recognize I got the name of his riding right. I see he is talking to his colleague. I do not blame him. That colleague is here for only a few hours of the weekly session and I suppose he has to carry on the conversation while he has the opportunity.

It is always interesting to listen to the old pro from Brant-Oxford-Norfolk. In his years in this House he has reached the point where he can just skim through a bill and to some extent grasp the substance of it. Not only that but he can speak on a bill for half an hour even if he has never read it, just as he did in the previous speech he made—and, by the way, he never got called to order—because he seems somehow or other to be able to be on—

Mr. Epp: That's not fair.

Mr. Swart: It's not fair, but it's true. I am sorry the member for Brant-Oxford-Norfolk was not listening to my comments, but he can read them in Hansard tomorrow. I just want to assure him they were very complimentary.

I am very pleased to rise to speak on this bill because, as many members know, I was involved in municipal politics for more than two decades. For more than half that time I represented the head of the municipality, a so-called rural municipality, which was squeezed between three cities, the cities of St. Catharines, Niagara Falls and Welland. During that period I was involved in no less than four annexation proceedings, one of them a very major one. So I am quite aware of the problems, the costs and, yes, the bitterness that were part of those proceedings.

9:30 p.m.

The principle of the bill we have before us is that of trying to provide some better alternative whereby changes in municipal boundaries can take place and consume less time, less money and perhaps eliminate some of the bitterness that took place in those hearings.

I think we may have overlooked another point, too. In fact, in this proposal it may be something controversial. Certainly, the principle of the bill is not controversial and, from the comments we have heard to this time, many of the proposals will provide a more democratic method of arriving at boundary decisions, in that those decisions will not, at least to the same degree, be made by a court or by a quasi-judicial body. They will be made by the elected representatives.

There may be some disadvantages in that; I may comment on that in a moment. But the principle of the bill certainly does provide for the elected people, and particularly the Minister of Intergovernmental Affairs, to make a great many of the decisions on the changes in municipal boundaries.

That may also require some political courage—changing this bill from a court decision to a decision by politicians, where the public and municipalities, who may rather violently disagree with the decisions, will make those politicians targets instead of the Ontario Municipal Board.

The member for Wilson Heights (Mr. Rotenberg) may or may not remember that after a very bitter annexation hearing and proceedings in the greater St. Catharines area in 1960 or 1961—I have forgotten which year that took place but if it was like most of them, it probably

took place in both years—they hanged in effigy the two members of the Ontario Municipal Board who made the decision to annex the town of Merritton to the city of St. Catharines. I drove by there for—

Mr. Nixon: You cannot blame that on Vern Singer.

Mr. Swart: No, I realize how defensive the member is in this matter. I drove by there for two or three days and saw those effigies swaying in the wind—

Mr. Nixon: Only in Niagara.

Mr. Swart:—on the scaffold in front of the old town hall in Merritton. The parliamentary assistant may not want to become the minister if that same kind of situation exists because of this bill and it is directed against the minister.

Mr. Nixon: They will not do it in effigy.

Mr. Swart: No, hopefully not. It has already been stated of course, that the initiative for this bill has come largely from the experience in Brantford. I think everybody who has spoken and everybody who was involved would agree it was successful, by and large. I think it is true to say, though, that it too took quite a bit of time. I understand before the actual act was passed in 1980, there were about two years of negotiations leading up to it.

There were some real obstacles. It was a major boundary change, a major annexation with the ingredients for some very real conflict, yet it was brought about in a fairly successful manner. I know there was a substantial acreage involved. I am not sure just how many acres. Perhaps the member for Brant-Oxford-Norfolk knows. As I stated before, I have mastered his terminology.

Mr. Nixon: It was 2,800 acres.

Mr. Swart: I think it was in that neighbourhood. I have mastered the terminology of his riding which most people in this House have not yet done.

Mr. Nixon: I appreciate it.

Mr. Swart: I believe in the beginning the township was against the principle of the annexation of most of the parts of their municipality which were ultimately attached to the city of Brantford. They were opposed to it, yet they ultimately agreed that all the urbanized areas would be included. I believe there was very little arbitration. There may have been some mediation, but it is my understanding the only arbitration that took place was with regard to the official plan which was to cover the area. I

believe there was only one person as an arbitrator in that instance, unlike the bill that is before us at the present time.

It is true to say it was certainly less costly and probably less time-consuming than if an annexation had taken place under the Ontario Municipal Board. Both municipalities are now reasonably happy. The proceeding does put much more responsibility at the political level, especially on the minister.

We support this bill in principle, as my colleague the member for Beaches-Woodbine has stated in her excellent comments. However I must warn, as others have, that other situations may not be similar to what took place in Brantford. They may be much more difficult. Other councils may not be so co-operative. In fact, we may not have a Dave Newman in all cities who will head up a committee and function in such a co-operative manner. It might have been a Liberal or a Conservative who had done that and it might not have worked out quite so well. We may not have a man of the calibre of Mac Makarchuk as a provincial member.

Mr. Nixon: Do you want a real comment on that?

Mr. Swart: I am making the comments right now: I have the floor. We may not have a person of the calibre of Mac Makarchuk with his co-operative nature, who helped to resolve many of the problems that existed there. The member for Brant-Oxford-Norfolk can persuade almost anybody to do anything except vote Liberal in Ontario.

The Deputy Speaker: Carry on with the bill.

Mr. Swart: Yes, thank you.

I do want to comment on the one danger that exists in this. Granted it is balanced off in other ways, but there can be the problem of some political partisanship being injected into the final decision when those decisions are left at the political level. It is possible there could be allegiance to certain political parties by members of councils or others in positions of influence in the municipalities. They might have some undue power over the minister who is sitting over there, at least for the next few months, and might cause some decisions to be made that were not based solely on the facts of the situation. That is a real danger.

9:40 p.m.

On the other hand, I think that is balanced off by the fact that it is more democratic. When one is leaving politicians to make decisions, there is

always the danger that inappropriate decisions will be made because of the friends they have out there. We see that happening all the time on the other side of this House, where decisions are made with regard to the economy, to interest rates and a great many things that are totally inappropriate to the average citizen, but they are made over there because they have friends out there they have to serve. That is one of the dangers of the political system.

This bill proposes procedures that are far different from the procedures used in Brantford. Granted that was a pilot project and these proposals probably have come out of that more than anything else, but the procedures are very different and much more complex. I am not at all sure by this bill that there will be as much time spent at least in arriving at a decision on boundary changes as there would be by applying to the Ontario Municipal Board.

I am not sure whether anyone who has spoken has yet outlined the procedures, and I am going to do it very briefly. First, the municipality must pass a bylaw, which is then submitted to the minister. He does a study and makes a report back to the municipality. If he finds agreement on that report, then either by legislation or by order in council he can cause the annexation to take place.

If there is a disagreement, then he appoints a negotiating committee, which enters into what it is supposed to do; that is, to negotiate. There is no time limit on that, and perhaps there should not be. Then it makes a report back to the minister and to the municipalities. Public meetings are held, and then the councils report back to the minister. Then all options really are open to the minister at that time, including referring certain issues to the Ontario Municipal Board and referring them to an issues committee, if I have the right terminology there. He can use any procedures he wants.

Ultimately, from that he can arrive at legislation or at an order in council. I suggest that procedure, as necessary as it may be, is going to be very time-consuming, and I am afraid that if they get a lot of lawyers involved—and this may be the key to it—there is not as much room there for costs as there is in the present proceedings.

Mr. Epp: What have you got against lawyers?

Mr. Swart: I do not have anything against lawyers, but I know they are costly. If one can resolve problems successfully without going to

lawyers, one will save an awful lot. One may get oneself in trouble sometimes, but one can sure save an awful lot of money.

Mr. MacDonald: You can also get yourself in a lot of trouble when you go to a lawyer.

Mr. Swart: One can get oneself in trouble when one goes to a lawyer too. The member for York South is so correct.

As the member for Beaches-Woodbine and others have pointed out, the bill does require some fairly substantial changes even as a trial bill which the government recognizes may have to be brought back to this House in the not-too-distant future for some changes. It seems to us there are some changes that are obvious, and my colleague the member for Beaches-Woodbine has mentioned some of them.

One change I personally object to is the absence of public input at an early stage in these proceedings. In fact, there will be no public input at all. If an application is made and a report is made by the minister, that report is accepted and an order in council is passed; the legislation is passed.

There is no place there for any public input whatsoever. That seems to me to be a serious omission. There could be a major annexation or amalgamation taking place where there was no possibility of the public having any say; at least no provision is made and no formal structure is provided for the public to have any say. We intend to move an amendment to correct that.

My colleague also mentioned that the powers given to the minister are very broad, especially in section 6(d) and section 13(g), where the minister can do anything he deems necessary or feels is right. All the procedures that are really required may not be included in this bill because it is a new process. Surely, if they want to change something, they should come back to the House for an amendment. To give such broad powers to the minister to do anything he likes in this whole process seems to me to be providing a blanket provision which is not desirable in any legislation.

If anything is referred to the board to arbitrate, and that is really the purpose of referring it to the board, if the negotiating committee cannot resolve it, if the municipalities cannot resolve it between themselves and the minister deems it necessary to refer it to the OMB, it seems to us the OMB should make a decision on the negotiation process or the political process. Has it resolved it? Therefore, it should be referred to the OMB for a decision.

Under the present Planning Act, that can be appealed to the cabinet. But for them just to make a recommendation back to the same person who could not resolve the thing before seems an inappropriate procedure, especially when the new Planning Act we have before us at the present time provides for the Ontario Municipal Board to make practically all its decisions without recourse to the cabinet. In this one we really have a substantial move backwards. Therefore, we will be moving an amendment to provide that the OMB shall make the decision and it shall not just be a recommendation to the minister.

We also think that section 19 of this bill is inadvisable. It negates much of the democratic procedure up to the time when, "The Lieutenant Governor in Council may at any time, upon the recommendation of the minister, rescind, change, alter or vary any order made under section 14"—that is the order which provides for the amalgamation—"and, unless the Lieutenant Governor in Council determines otherwise, section 17 does not apply to any such subsequent order."

Of course, section 17 says, "No order shall be made under section 14 until 28 days after the Clerk of the Executive Council has given public notice in such manner..." Here we have a situation where the Lieutenant Governor in Council could change, and perhaps change dramatically, a decision that has been made previously, and there is no public knowledge of it. There is no chance for any input whatsoever. It is a fait accompli. We suggest that is not a reasonable situation.

As my colleague the member for Beaches-Woodbine has pointed out, section 23 for some strange reason exempts from these procedures, and goes back to the old OMB process, all of those annexations that may be connected with raising the status of a municipality from a village to a town or a town to a city. It is quite normal procedure. I am sure all of us who have been in municipal life and have watched what is taking place in the province have recognized that frequently at the time a municipality is elevated from a village or a town it will make application for annexation of the area around it. These can be major annexations.

9:50 p.m.

I think of Trenton, a town which I think I am correct in saying could be elevated to a city and which, within its application to be elevated to a city, could apply to annex a large surrounding area. This process would not be available to

make the decision; they would have to go through the Ontario Municipal Board. Surely this was not the intent of the minister.

I am glad to see that the Minister of Intergovernmental Affairs (Mr. Wells) is coming in to take part in this debate. He will be glad to know that to date everyone has supported the bill, at least in principle.

I certainly do not think it is the minister's intention to require that all municipalities that make large annexations, that are simultaneous with the elevation of the municipality from one status to another, should be prohibited from using the procedures available in this bill or in any subsequent bill that provides the same sort of voluntary and co-operative method of resolving the boundary problems.

We think substantial changes should be made in this bill, and we will be making certain amendments. It looks as if we are all in general accord on this, so I hope the government will give serious consideration to those amendments and not reject them out of hand, as it so often does, whether it is on a minor bill put forward by the Liberal member for— which riding?

Interjections.

Mr. Swart: No, I was not thinking of that one. The bill today, with regard to the amendment to provide a year's notice for—

Mr. Mancini: The member for Prescott-Russell (Mr. Boudria).

Mr. Swart: Prescott-Russell. This was a very minor bill today, a bill that made so much common sense, and yet the government stood to block it. Two members who spoke on my bill last week to remove the urea formaldehyde foam insulation did not say a word against the bill, yet it was blocked by the Conservatives.

I hope the government will not do that with the amendments to this bill coming from this side of the House. The people over there need all the help they can get, and they should accept it with gratitude.

We recognize this is a whole new field. We are going to need a period of time to work out this bill. It seems to me that one of the things the government must do is to guarantee that the manual which is going to be developed—and I think they are already in the process of developing it, though it may be two or three months—and which will be the Bible for the operation of this bill, will be tabled in this House as soon as it is developed. I hope the minister will give that guarantee when he rises to speak.

Like the other members who spoke on this

bill, we will approve it with, I hope, some substantial amendments. We will be watching to see how it works. We know very well this kind of bill may not have a great many applications immediately, unlike many bills that go through the House. But every application of this bill will be a very important event to many people, a very crucial matter to many people in municipalities in this province. Therefore, we will be watching it very closely and making comments on how we think it is working. Good luck to the minister.

Mr. Mancini: Mr. Speaker, I wish to speak to Bill 147, and to bring up a matter that I have spoken about with the parliamentary assistant to the Minister of Municipal Affairs and Housing.

I am sure the negotiating process that has been set out in this bill, which will help municipalities solve their municipal boundary problems and amalgamation and annexation problems, is probably somewhere down the line going to involve transfer payments from the province of Ontario to certain municipalities that are going to be adversely affected by losing certain tax bases.

I want to bring to the attention of the members that approximately a year or so ago the town of Amherstburg was involved in annexation hearings with the two neighbouring municipalities, the township of Anderdon and the township of Malden. The town needed to expand, as industrial development was stymied by the limitations of its boundaries and urban development had sprawled over into the rural municipalities. It was felt by many that the people in these urban subdivisions that had grown on the outskirts of the town could be better served by the urban community of Amherstburg.

The townships involved worked very diligently and very hard to hammer out an agreement and they did it without Bill 147. Specifically, the township of Malden, which lost a huge portion of its tax base, agreed for the most part with the annexation because it felt it had a commitment from the former minister of municipal affairs and his parliamentary assistant that it would receive transfer funds from Ontario to carry it over the next four or five years because of this huge tax loss.

The municipality in question, Malden, went ahead in good faith and basically did not extensively oppose the annexation procedure which was taking place. They allowed a huge portion of their municipality to be annexed, and

when all was said and done, when the deal was signed and when the new boundaries were drawn up, they requested of me to remind the province—specifically to remind the former minister of municipal affairs and his parliamentary assistant, the member for Wilson Heights (Mr. Rotenberg), of their commitments.

By the time that happened, we had a new minister of municipal affairs, the member for Ottawa South (Mr. Bennett). He had become the minister, and when the civil servants in his department prepared a summary of what should transpire as far as transfer payments going to the township of Malden were concerned, the new minister stated flatly to his bureaucrats that, although there may have been a moral commitment for this money to be turned over to the township of Malden from the province of Ontario, there certainly was no legal commitment made, and therefore he was not prepared to assist the township of Malden in the expenditure problems that it now faces because of the loss of tax base.

They still have to operate the municipality. They still have certain obligations to the people in that municipality. They still have several capital projects that they must carry out, even though the township is now smaller, and they do not now have the tax base in order to carry that out.

10 p.m.

My point is that as Bill 147 progresses and Bill 147 is used by different municipalities, the member for Wilson Heights knows darned well that somewhere down the line he is going to have to assist municipalities for their loss of the tax base through annexation. He is going to have to give them transfer payments, and just as sure as I am standing here that is going to take place—money from the province of Ontario to certain municipalities.

We had three municipalities that were prepared to act in good faith and that did several things the government wants to be done in Bill 147. Now let the government live up to its commitments and ensure that the township of Malden gets the transfer payments that were promised to it.

Under the impression they were left with, they did not fight this tooth and nail at the Ontario Municipal Board level and consequently they saved all three municipalities a considerable sum of money. They also saved the province a considerable sum of money, because the hearings conducted by the board were not nearly as extensive as they would have been.

The government should now do for the township of Malden what it is going to be doing for other townships after Bill 147 is passed.

The Acting Speaker (Mr. Edighoffer): Does any other honourable member wish to participate? If not, the parliamentary assistant.

Mr. Rotenberg: Mr. Speaker, it is a pleasure to see you temporarily back where you were in a previous incarnation.

I will try to be brief in the summation, because a lot of the points that were made will be dealt with in committee of the whole, when we deal with various amendments.

The two critics, the member for Waterloo North and the member for Beaches-Woodbine, criticized the bill because they said there was too much power being given to the minister. I thought the member for Welland-Thorold was doing very well in answering that until he got towards the end of his statement, because really the philosophy of the bill changes the whole method of dealing with these disputes.

The philosophy of the bill is that the discussions and the process and the decision-making will be political and not administrative, not by tribunal, but the responsibility will be the responsibility of the politicians. The lawyers, the planners and the consultants will not be the ones making the decisions; the elected representatives of both levels of government will be the ones who will do it.

All the discussions should be in the hands of those who have been elected. The municipal representatives on the interministerial committee, who have sat in on this bill for several years and helped us to draft it and made suggestions, are very firm and very strong on the fact they want this process which leaves the decisions and the negotiations in the hands of politicians. They do not want the tribunal process where the decisions are in the hands of the Ontario Municipal Board.

A lot of what has been said, especially by the member for Beaches-Woodbine, indicates that in a number of amendments they will be proposing they want to give at least half of it back to the Ontario Municipal Board. I submit, as we will discuss on the amendments, that we have to go one route or the other and if we try to mix them up and have half and half, we will have the worst of both worlds. I think they want the Brant-Brantford process and not the Barrie-Innisfil process, and this is what the bill does.

There was some question about public participation. Of course there will be public participation. In answer to a question the other night by

the member for Waterloo North, there is already a commitment to the interministerial committee that the manual procedure will be discussed with them before it has been finalized, and that will be done. There cannot be a negotiation process—and it is a negotiation process—without consulting with the public.

I point out to the member for Beaches-Woodbine that the chief negotiator has to be a person who is knowledgeable. We cannot, as we do some times in labour arbitration, take a professor, a judge or someone who has not been involved. A chief negotiator has to be a most knowledgeable person because this person, I would point out, is a mediator and not an arbitrator. This person does not have legislative powers, but only the powers to suggest and mediate and to be a chairman and come up with a suggestion.

I also point out that those matters that will be handled by ministerial order, by order in council, as the member for Welland-Thorold has so well pointed out, will have to be made public and published and there is a 28-day period to catch up with any member of the public who feels he has not had a proper hearing up until that point.

I point out also that the kind of solutions that are being brought forward by Brant-Brantford or by Barrie-Innisfil were by legislation. Under this act, those kind of complicated procedures will be done by legislation with all the protections and all members of this legislature able to participate. The less complicated ones will be done by ministerial order.

The Acting Speaker: Order. There seem to be a number of private conversations that perhaps are necessary but are unnecessarily noisy.

Mr. Rotenberg: Mr. Speaker, we will be dealing with details of the various matters that members of the Legislature brought forward in their presentations when we get to the committee stage. A lot of these are covered in the amendments, and I think it is better to deal with them once, in the amendments, rather than to deal with them twice.

I simply point out to the member for Essex South that, had this bill been in place, the municipalities in question would have been able to negotiate a transfer of payments between themselves and a compensation to the one municipality that was losing taxation. That would have been a part of the negotiation, rather than something they presented to the Ontario Municipal Board for the OMB to make a final decision.

With these few comments, I ask that we approve second reading and then I will ask that this matter go to a committee of the whole House at some future date.

Motion agreed to.

Ordered for committee of the whole House.

REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH AMENDMENT ACT

Mr. Rotenberg, on behalf of Hon. Mr. Wells, moved second reading of Bill 115, An Act to amend the Regional Municipality of Hamilton-Wentworth Act, 1973.

Mr. Rotenberg: Mr. Speaker, this bill has been requested by the regional municipality of Hamilton-Wentworth. If it was not a major municipality, but just a city, town, or village, this would probably be a private bill. It asks that they be allowed to make exemptions in store closing hours for any class or classes of shops in a designated part of the municipality.

I point out that the regional municipality now has the power to do this for the entire municipality. In other words, we are giving the power for, say, during a special sale or a special event, to allow certain stores in a certain area to be open without having the stores in the whole municipality open. But the municipality already has the power to do it for everyone; so we really are not giving them something they could not do in, some would say, a worse manner right now.

There has been some question as to the wording of the bill and what it means, whether where it now says "day or days of the year" means just a few days or whether it could be extended to mean many days more than anyone intended. To clarify this, I give notice to the opposition that when we get to committee of the whole, I will be moving an amendment that makes it explicit, as we thought was implicit, that any bylaw passed under this bill will be limited to a maximum of five days. So they could not take this bill and use it to keep some plaza, store, or some area open for a couple of months in the year. I commend this bill to the House.

Mr. Epp: Mr. Speaker, I am pleased to speak to this particular piece of legislation which, as you will recall, was introduced last spring. At that time, the government was anxious to proceed with the bill, and we were anxious to proceed with the bill, but somehow or other the government never put it on the Order Paper for debate.

It has had another rewriting since that time; I

guess about five months have passed. It was in the House just a few days or a few hours, and already on this very simple bill, which has three sections and only one main section, the government is recommending an amendment to the bill with one very small section in the bill.

It seems the government itself obviously has not given very much thought to this bill. Had they given much thought to it, then after all that discussion last spring, after having the summer to sleep on it, and to wake on it, if you want, they would not now have to bring in an amendment after it has been in the Legislature for only a few days.

Obviously it has not had the kind of time-consuming concentration that an important piece of legislation like this should have. I think the parliamentary assistant and the minister should be embarrassed to bring this before the Legislature and ask us to vote on it if they have given such little thought to it.

10:10 p.m.

We have to remember that this comes in response to a request by the chairman of the regional municipality of Hamilton-Wentworth, a long-time and steadfast supporter of the members across there, who feels this piece of legislation should get high priority and be passed in this Legislature.

We must also keep in mind that what we are doing here is giving piecemeal legislation for the people in one region of Ontario. It is not province-wide, as it should be if the government felt strongly about it. It deals only with one regional municipality rather than with all the 838 municipalities across the province. I suppose what we could have after this is pieces of legislation in other parts of the province through municipalities asking for similar legislation.

The fact that this is going to give authority to the regional municipality of Hamilton-Wentworth to exempt certain classes during certain times leads us to believe the government would support legislation across the province. They have not given any indication of this, and I thought the parliamentary assistant would give some indication. He obviously has not. They should bring in some omnibus bill that would include the whole province.

Since the parliamentary assistant spoke about this one amendment, I must draw the attention of this Legislature and the people of this province to the fact that they are trying to impose something in this bill for which they are not giving a clear explanation. They are trying to give the impression that there are only five

days for which a municipality can pass a bylaw that will permit a particular store or stores to be exempted during five days of the year.

I am told by some learned authorities that those five days apply only to the one bylaw and that a municipality, if it wanted to be very lenient about the whole matter and not be serious about what it perceived to be its responsibilities, could pass a series of bylaws and those stores could stay open all year for the extra hours.

It is unfortunate the parliamentary assistant did not clarify that as far as this Legislature is concerned, because that's what I am told. I hope he can clarify that for us because, as I am told the amendment is going to read, the number of days will be five per bylaw. We will have more to say about that when we get to committee of the whole House, to which I presume it is going to be referred.

I am not enthusiastic about supporting this bill. I think it is a bad omen and a bad piece of legislation. I think the government, by its own action, has obviously not thought out the bill very well, and we will be opposing this piece of legislation.

Ms. Bryden: Mr. Speaker, this bill deals with the controversial matter of store hours and their regulation. As we all recognize, there are conflicting interests involved.

In our party, we favour as much uniformity as possible so that there is not unfair competition between stores in one geographic area and stores in another and so that there is strict control of the number of night hours, weekend hours and Sunday hours, if Sunday openings are allowed for certain classes of stores, in order that the workers who are expected to work in stores do not have their family lives completely disrupted by long hours, night hours or weekend hours that are excessive.

While I think the regional municipality of Hamilton-Wentworth has put in fairly good store hour limitation, when they asked for this legislation to allow for special occasions, I think they were probably as surprised as we were at the way the legislation came down, because it did not say special occasions or that their store hour bylaws could be varied for a very few number of days in a year for a store or class of stores or for any geographic area. It said they could exempt any store or class of stores in any area for any number of days, for a day or days, which meant the whole limitation of store hours in the region could be undermined by exemptions.

While I do not think the present council had it in mind to undermine their laws, I think we could not let that kind of a bill go through because of our concern about keeping store hours under regulation as much as possible on a province-wide basis to protect workers who might be required to work excessive hours if we did not have regulation of store hours on a somewhat uniform basis throughout the province.

We tabled a reasoned amendment indicating that we could not vote for that kind of bill. When the parliamentary assistant and probably the minister saw that this was our feeling about the bill and that there was some concern that it was much too sweeping in its terms, they indicated they were planning to bring in an amendment that would limit the powers of exemption granted in this bill. I believe the regional council is not averse to this amendment, because it was the council's intention only to get authority to open stores for one or two days, possibly when there was an anniversary or a special sale or a new plaza being opened.

I welcome the willingness of the parliamentary assistant to revamp the legislation to make it more precise and to make sure that we preserve the general limitation of store hours in the area and not allow exemptions that could undermine that limitation. For that reason, we will be supporting the bill with that amendment.

We are also planning to bring in an amendment to close the loophole that the critic for the Liberal Party mentioned, because I think there is a possibility that more than one bylaw could be passed for any store or class of stores in an geographic area in any year. I do not think that was the intention of the regional council, but we might as well close the loophole while we are passing the law; so we will be bringing in that amendment as well.

The Deputy Speaker: The honourable member for Hamilton Centre.

Ms. Copps: Am I honourable now? That is good.

The Deputy Speaker: You have always been honourable in my eyes.

Ms. Copps: Mr. Speaker, I just want to reiterate the comments made by my colleague the critic of municipal affairs. I think the history of this bill has been very long and involved and really is a rather shoddy job on behalf of the government.

If we take a look at the substance of the bill as presented, we can see it does not address the

problem that existed in the city of Hamilton. I think many of us know that a problem occurred earlier this year when a local shopping plaza wanted to be open beyond the normal closing hours. It was originally introduced as a bill intended to deal with a singular situation.

In fact, the bill is far too broad in its interpretation and, even with the amendment presented by the government, the notion that the regional municipality could pass a series of bylaws that would allow a store or class of stores to stay open for five days, plus five days and then five more days, is certainly not acceptable.

10:20 p.m.

I could understand if the government were intending to introduce legislation to speak to a particular situation; we would be prepared to support that legislation. In fact, if the government had chosen to apply a condition to this bill by stating that bylaws could be passed on only one or two occasions of the year, it would certainly be more palatable; but as the bill stands, it is far too sweeping and wide-ranging.

I have to ask why the government has taken five months to introduce a bill and at the very last moment comes in with an amendment that is in itself ambiguous. I am not sure whether the amendment means five days any time the region plans on passing a bylaw or whether it means five days in any given year. Obviously the government has had enough time, and certainly enough pressure from the region to draft a bill that would better respond to the very situations we are referring to.

This bill has very serious implications, not only for the region of Hamilton-Wentworth but also for the whole province, in that it is the thin edge of the wedge with respect to the policy of uniform store closing hours. Many of the members who were here some time ago will realize what difficulty this government had in hammering out legislation that would be acceptable to all regions and municipalities with respect to uniform store hours. That legislation has been passed and we have seen the problems.

For example, in the city of Toronto discriminatory store closing is applied in a number of instances. I am sure the people in the Beaches neighbourhood are not happy with legislation that allows the stores around the Harbourfront area to remain open on a certain day but not those in the Beaches. This problem, which at the moment is simply indigenous to the city of Toronto, could well become a problem in Hamilton-Wentworth and across the province if we supported this legislation.

I do not believe the original spirit of the legislation has actually been produced in this bill. I discussed this with the regional chairman at the time it was originally introduced. The spirit of the legislation was supposed to allow very singular exceptions for certain businesses or stores that might be celebrating grand openings or anniversaries.

If memory serves me correctly, in the regional municipality of Hamilton-Wentworth there have been only two such occasions in the last two years, or an average of one occasion a year. For this, the government is introducing legislation that presumably could allow the region to pass any number of bylaws covering a five-day period for any class or classes of shops or any shop in the regional municipality of Hamilton-Wentworth.

Although under most circumstances the region would not want to abuse that privilege, we have a policy in this province of uniform store hours in certain municipalities, and that policy is supposed to be applied across the board. The intent of this legislation violates that policy. If it is the spirit of the legislation to allow certain exceptions to be made, then we should come in with legislation that more clearly defines exactly what it is we want to achieve.

The legislation that has been introduced is far too sweeping. For that reason, although we support the principle that on very specific occasions businesses should be allowed to stay open on a one-shot celebration basis, we cannot support an amendment that would allow a municipality to pass bylaw after bylaw in any given year to allow a specific shop or class of shops to remain open in one part of the community while not allowing the same privileges to other parts of the community. Therefore, we cannot support the amendment or the bill.

Mr. Charlton: Mr. Speaker, I do not want to make a speech; I just want to take a minute to clarify a couple of issues here, because some of them seem a little confused.

We have found ourselves in the same position as has been expressed by our colleagues to the right by the way in which the bill was worded. On the other hand, I think in fairness we should point out that the ministry in reality presented a bill worded in a fashion that was supported by the regional legislation committee. The member for Waterloo North suggested that perhaps

the procedure has been slightly sloppy. That was indicated by the fact that they were coming in at the last minute with an amendment or announced amendment.

I think in fairness it should be made clear that although we also had some problems with the wording in the bill, the parliamentary assistant, and probably the minister, were good enough to sit down and listen when the issue was raised and to talk reasonably about the whole matter. So the amendment is the result of some serious discussion over the matter and not just a last-minute correction of an error.

The point has also been made that we can all support the intent of a special occasion exemption. In that respect, we welcome the amendment the ministry is prepared to make. As my colleague the member for Beaches-Woodbine suggested, we also have an additional amendment we would like to move.

Mr. Rotenberg: Mr. Speaker, I can sum up in about 30 seconds; then maybe we can have second reading if there are no other speakers.

The Deputy Speaker: Are there any other speakers in regard to this legislation? There seems to be agreement; so the parliamentary assistant may sum up.

Mr. Rotenberg: Mr. Speaker, there is no doubt that under the amendment I will be proposing a municipality technically could have a five-day bylaw. We will deal with that in committee of the whole.

We all believe in local autonomy. This is the bill as requested by the municipalities, as the member for Hamilton Mountain has pointed out. The amendment I will be proposing is simply to clarify what is a possible legal interpretation, although some lawyers think the bill as it stands is sufficient. We want to give the municipalities some local autonomy, and we trust the municipalities will deal with the bill as amended in a proper fashion.

I will deal with this further in the committee of the whole. I ask that you now put question.

The Deputy Speaker: All those in favour will please say "aye."

All those opposed will please "nay."

In my opinion, the ayes have it.

Motion agreed to.

Ordered for committee of the whole House.

The House adjourned at 10:30 p.m.

CONTENTS

Thursday, November 26, 1981

Second readings

City of Ottawa Road Closing and Conveyance Validation Act, Bill 167, Mr. Bennett, agreed to.....	3937
Municipal Boundary Negotiations Act, Bill 147, Mr. Bennett, agreed to.....	3940
Regional Municipality of Hamilton-Wentworth Amendment Act, Bill 115, Mr. Wells.....	3956

Third readings

City of Ottawa Road Closing and Conveyance Validation Act, Bill 167, Mr. Bennett, agreed to.....	3940
Adjournment.....	3959

SPEAKERS IN THIS ISSUE

Bennett, Hon. C. F.; Minister of Municipal Affairs and Housing (Ottawa South PC)
 Bryden, M. H. (Beaches-Woodbine NDP)
 Charlton, B. A. (Hamilton Mountain NDP)
 Copps, S. M. (Hamilton Centre L)
 Cousens, D.; Acting Speaker and Deputy Chairman (York Centre PC)
 Cureatz, S. L.; Deputy Speaker and Chairman (Durham East PC)
 Edighoffer, H. A. (Perth L)
 Epp, H. A. (Waterloo North L)
 Grossman, Hon. L. S.; Minister of Industry and Tourism (St. Andrew-St. Patrick PC)
 MacDonald, D. C. (York South NDP)
 Mancini, R. (Essex South L)
 McCaffrey, Hon. R. B.; Minister without Portfolio (Armourdale PC)
 Nixon, R. F. (Brant-Oxford-Norfolk L)
 Philip, E. T. (Etobicoke NDP)
 Rotenberg, D. (Wilson Heights PC)
 Roy, A. J. (Ottawa East L)
 Stokes, J. E. (Lake Nipigon NDP)
 Swart, M. L. (Welland-Thorold NDP)
 Taylor, G. W. (Simcoe Centre PC)

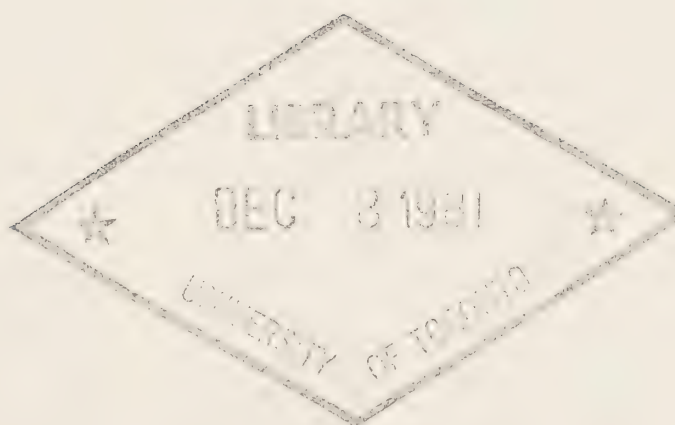


Ontario, *LEGISLATIVE ASSEMBLY*

No. 111

Legislature of Ontario Debates

Official Report (Hansard)



First Session, Thirty-Second Parliament

Friday, November 27, 1981

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Friday, November 27, 1981

The House met at 10 a.m.

Prayers.

STATEMENTS BY THE MINISTRY

HIGHWAY TRAFFIC AMENDMENT BILL

Hon. Mr. McMurtry: Mr. Speaker, I am today introducing amendments to the Highway Traffic Act designed to strengthen our highway traffic safety efforts in Ontario. These amendments cover three areas of vital concern to the government and to the motoring public.

The first area relates to RIDE, the reduce impaired driving everywhere programs or spot checks, the second to police pursuits and the third deals with the temporary 12-hour suspension of a licence of a marginally impaired driver.

Honourable members are aware the RIDE programs initiated by police forces involve spot checks of drivers for the principal purpose of keeping drinking drivers off our streets and highways. These programs have been proven to be particularly effective over the Christmas holiday season.

The right of police officers to engage in random spot checks was challenged in the courts and, while the Ontario Court of Appeal overruled a lower court ruling which questioned the legality of the process, the court did suggest that the Highway Traffic Act be clarified.

It also must be remembered that the operation of a motor vehicle is a privilege, not a right. The driver must be fit to drive, properly licensed and with a vehicle in sound mechanical condition. The McRuer royal commission on civil rights pointed out that these are, obviously, reasonable requirements and that the police have the responsibility to enforce these requirements.

The second area affected by the amendments I am introducing today provides for a mandatory three-year suspension of the driver's licence of anyone who deliberately engages the police in a high-speed pursuit.

I know all honourable members share the concern over reckless individuals who disregard a police order to stop, thus endangering the lives of their fellow citizens. We are hoping with this amendment to create a significant deterrent for those who deliberately flout our laws, thereby

turning a motor vehicle into a weapon of death and destruction.

I would also like to repeat that the government has no intention of arbitrarily banning police pursuits, although we are very much aware of the caution that must be exercised in carrying out a responsibility that can involve a great deal of danger.

The Ontario Police Commission has just completed an extensive survey of police pursuit policy that included every Canadian province and 79 state, county and municipal police jurisdictions in the United States. In Canada, only Ontario, British Columbia and Saskatchewan have issued specific provincial guidelines on high-speed pursuits. As a result of the Ontario Police Commission survey, we feel Ontario's present set of guidelines are among the most advanced anywhere. However, we are prepared to consider further refinements whenever such can be made in the public interest.

The third area of these proposed amendments relates to amendments aimed at removing temporarily from our highways those marginally impaired drivers who represent a potential danger to themselves and others. It will involve a 12-hour suspension of a driver's licence based on a roadside breath test.

The Criminal Code contains offences for impaired driving and having more than 80 milligrams of alcohol in 100 millilitres of blood. Studies have shown that drivers with more than 50 milligrams are a significant hazard and the initiative is aimed at this group.

The magnitude of the problem created by drinking drivers cannot be overemphasized. I would remind the honourable members that a 1979 roadside survey conducted by the provincial government into drinking and driving revealed that one driver in every eight tested in that extensive survey had significant levels of alcohol in his system. The report to the government also states that the alcohol level at which impairment begins to become significant is generally considered to be at the 50-milligram level.

I wish to emphasize that the police will not be acting as judge and jury in these cases. Suspensions will be based on instrument readings, not simply at the discretion of a police officer. When a

licence is temporarily suspended, a motorist is provided in writing with all the relevant information, including when the suspension terminates and where the licence may be recovered.

A second safeguard will be the motorist's right to insist on a full breathalyser test if he disagrees with the roadside reading.

The temporary suspension will not be reflected on the driver's record, but it would be an offence for the temporarily suspended driver to drive during that period.

These measures will be an important part of our highway traffic safety programs. They are intended to save lives and further protect the vast majority of law-abiding citizens using our highways in a safe and responsible manner.

METRO POLICE COMPLAINTS PROJECT

Hon. Mr. McMurtry: Mr. Speaker, I have a second, brief statement. The members of the Legislature will undoubtedly be interested in the—

Mr. Cassidy: Mr. Speaker, on a point of order: I appreciate the minister's making statements, but it would be appreciated if copies were made available to the opposition parties as well.

Mr. Speaker: Are copies not available?

Mr. Cassidy: On a second point, I believe one copy is meant to come to the leader as well as the critic of each party.

Hon. Mr. McMurtry: This was distributed yesterday.

Mr. Speaker: The Attorney General tells me they were distributed yesterday.

Mr. Breithaupt: We have our copies, Mr. Speaker.

Hon. Mr. McMurtry: The members of the Legislature undoubtedly will be interested in the reference to Bill 68 made by Lord Scarman in his very important and just-released report on the Brixton and other riots in the United Kingdom during the past year. According to press reports, Lord Scarman has recommended that Ontario's Bill 68 should be seriously considered as a model for the handling of citizens' complaints against the police in Great Britain. That must have embarrassed the member for Riverdale (Mr. Renwick). He must be terribly embarrassed by that.

Mr. Renwick: It didn't embarrass me. They are even further behind than you are.

Hon. Mr. McMurtry: Lord Scarman is an internationally known jurist, a former chairman

of the British Law Commission and one who enjoys a very distinguished reputation as a law reformer. In fact, the former member for Lakeshore, Patrick Lawlor, often referred to him as the living model for all law reformers.

This is perhaps another example of the necessity for outside approval before we allow ourselves to appreciate the value of our own initiatives and legislation.

All the members who worked on this important legislation should therefore take some personal pleasure in the remarks of Lord Scarman as they relate to the potential for Bill 68 in the resolution of citizens' complaints against the police.

BY-ELECTION IN BRITAIN

Mr. Peterson: Mr. Speaker, if you will indulge me for a moment before oral questions, I am sure all members of the House will want to join me in congratulating Shirley Williams on her resounding victory yesterday in the Crosby by-election in Britain. You will note that the left was left out completely, and the right was right out again. It shows a return to moderation and sanity in politics in this world and presages what is going to happen here in this province.

Mr. MacDonald: On a point of privilege, Mr. Speaker: What the member has missed is that the right was totally left out, and that means it would leave the Liberals out here.

Mr. Cassidy: On a point of privilege, Mr. Speaker: Shirley Williams is a representative of the Social Democratic Party in Great Britain. I think it is the first time the member for London Centre has ever congratulated the Social Democrats for anything.

Mr. Ruprecht: On a point of privilege, Mr. Speaker: I want to inform this House that the Social Democratic Party of Britain is much closer to the Liberals than to the New Democrats.

Mr. Speaker: Order. Now we will proceed with oral questions. The member for London Centre—and please ask a question.

Mr. Peterson: We certainly touched a nerve, did we not?

10:10 a.m.

ORAL QUESTIONS

CANADIAN ADMIRAL

Mr. Peterson: Mr. Speaker, the Minister of Industry and Tourism (Mr. Grossman) gave a \$500,000 loan through the Ontario Develop-

ment Corporation to Admiral in May of last year. He has said in this House he has been monitoring that company for one and a half to two years. He must have been aware that the treasury of that company was stripped, and that it was losing money because of the high debt load. Why did he give them that money?

Hon. Mr. Grossman: Mr. Speaker, I would have to go back to the ODC files, because as I am sure the member recalls, these matters are handled by ODC in the ultimate event. They are handled by a board appointed by the government to review ODC loans. I would have to pull the file.

As I am sure the member will recall, Admiral was trying to create some new jobs at the time. He could go through the entire list of ODC loans and find a fair number of circumstances where ODC loans have been made, some employment has been created and ultimately the attempt to create new jobs and maintain old ones has unfortunately not been successful. This was, I presume, the same basis upon which ODC was operating in this case. I do not think that should be taken to be a condemnation of the efforts of ODC to continue to try and create jobs.

As I recall, this loan was for the Mississauga operation and I think ODC should be applauded for trying to create new jobs, given the then state of the company. I think the honourable member would be quite properly critical of the government if it failed to provide some ODC assistance to a firm that admittedly was having trouble making that new investment. That is what ODC is there to do.

Mr. Peterson: Supplementary: I am quite clearly critical when they give money to a company they should have known was going down the tube because they had raided from their own treasury.

Let me pursue that for a moment. No one knows if that loan has been paid back. Mr. Philip Coupey does not know if it has been paid back to the ODC. The Ontario Development Corporation will not tell us. The receivers have yet to look into the files. My question is this: Is ODC a secured creditor? If so, are they willing to defer their preferred position down the line so that the workers who were put out of work by that tragic receivership will at least have some security out of that situation?

Hon. Mr. Grossman: I know the honourable member wants to say that ODC and others should have known of the situation of Admiral.

Mr. Peterson: Of course they should have. It is gross incompetence.

Hon. Mr. Grossman: I see. I do not recall the honourable member, or anyone else over there, standing up and cautioning us at the time the Admiral loan went through. I do not recall any of the experts on the opposite side of the House standing up and saying, "Why are you doing it?" Of course they became experts after the banks went in and took the company out of business. That is when they decided they knew everything there was to know about Admiral, and that certain things had happened, which they personally thought were wrong.

The honourable member, on the first day we were discussing Admiral here, to help his career as it were, trotted downstairs and had a little chat with the media. That was at the very time we were trying to help the workers up here. Had he not left here early on that first day, to put on his makeup in order to go to the media studio, he would have known that I said at that time this government would do anything—loans, grants—

Mr. Boudria: It is a great answer.

Hon. Mr. Grossman: Are you against the Admiral workers? —loans, grants, guarantees, you name it, and we were going to do whatever was necessary and practical to help the company, to help the workers. If the honourable member had stayed here and listened that day he would know that. Of course we are willing to delay any ODC security in order to allow those jobs to go on. I might also offer this to the honourable member—

Interjections.

Hon. Mr. Davis: There are 69 over here.

Mr. Speaker: Order.

Mr. Mancini: Call him to order, Mr. Speaker. This is ridiculous.

Mr. Speaker: Interjections are always out of order. The minister will please answer the question.

Hon. Mr. Grossman: I think it is important that this House have every opportunity to analyse and peruse the Admiral situation at the appropriate time. The discussions that are going on now are at a very delicate stage—

Mr. Peterson: They always are.

Hon. Mr. Grossman: That is right. It is hard to hold the responsibilities of office—the honourable member will not understand that, but that is something that is difficult. It is very difficult to sort out a complex situation like this.

Mr. Kerrio: We will learn. We are fast learners. If you learned, we can learn.

Hon. Mr. Grossman: I know the member for Niagara Falls is a free enterpriser. He wants the company to go down at the expense of the market but we do not.

I want the member for London Centre to understand that I think the Canadian Admiral situation should be perused and studied by all members of this House at the appropriate time. Right now it is very critical that everything be done to maintain the reputation of Admiral because the Admiral products and appliances deserve to have their reputation maintained at this time.

I understand the concerns the member has and I may have a comment about them at a later time, but there is only one way a consumer can express his or her concern about the reputation of Admiral or York Lambton or anyone associated with them. That is by not buying the products.

When they hear concerns here and in other places about stripping of shares, about the Ontario Development Corporation loan or whatever, they do not say, "I think I will stop dealing with York Lambton." They do not say, "I think ODC has a bunch of incompetent people." Consumers can only say: "I hear all these things about the Admiral company and the Admiral products. I had better buy from another company."

The time will come to analyse those things. It is not the time when we are working hard, at least on this side of the House, to protect the jobs and the good reputation of Admiral.

Mr. Cassidy: A supplementary question, Mr. Speaker: The patronising tone of the minister is not welcome in this House. The minister has a staff in his department which is responsible, among other things, not only for promoting and enhancing industry in this province but also for ensuring this kind of situation does not occur. They have the responsibility to ensure that early action is taken to try to prevent the demise of a company like Admiral, which has been a successful and strong contributor to our economy for 45 or 50 years.

What kind of early warning system does he have in his ministry that he would not have been aware how close to the brink Admiral was until the banks called their loans and put in the receivers? What is he now doing to ensure the ministry is informed in advance and can take action in advance to prevent similar situations occurring in other important Ontario industries?

Hon. Mr. Grossman: Mr. Speaker, one of the ironies of what the member just said is that every time this government makes an investment, having seen some early warning signs, the member is the first one on his feet to say: "Here is a profitable industry. Here is an industry that is not doing badly. Why are you putting money into the industry?"

Does he remember pulp and paper? If he had his way, he would have waited until some of those mills closed and then he would have been standing up saying to the government: "Do you not have an early warning system? Can you not see these things coming? Why do you not do something about it before it happens?"

Mr. Cassidy: A point of privilege, Mr. Speaker: I believe the minister is misleading the House. He knows perfectly well the New Democratic Party has said that if we put taxpayers' money into those industries we should get equity for the people of Ontario.

Hon. Mr. Grossman: Mr. Speaker, the leader of the third party accused me of misleading the House and I demand he withdraw.

Mr. Speaker: The member for Ottawa Centre will please withdraw that remark.

Mr. Cassidy: I will withdraw that, Mr. Speaker, but perhaps you will ask the minister to withdraw his comments which certainly were misstatements of the position of the NDP.

Mr. Speaker: Final supplementary, the member for London Centre.

Mr. Cassidy: I beg your pardon, Mr. Speaker, we have had this problem before.

Mr. Speaker: We have indeed.

Mr. Cassidy: I suggested the minister should also withdraw statements that were inaccurate.

Mr. Speaker: It is not for me to decide what statements are accurate or inaccurate.

Mr. Cassidy: Mr. Speaker, we have had this problem with Friday mornings in this House—

Mr. Speaker: We have indeed.

Mr. Cassidy: May I suggest, Mr. Speaker, that to make the opposition withdraw comments in this House without imposing—

Mr. Speaker: You are out of order. I cannot enter into debate. The member for London Centre with a final supplementary.

Mr. Cassidy: On a point of order, Mr. Speaker.

Mr. Speaker: I will hear your point of order.

Mr. Cassidy: Thank you, Mr. Speaker. I appreciate that. You are perfectly right that it is

not in line with the rules of the House to say that a member is misleading the House and therefore I withdrew the remark as you asked me to.

I think it is also fair to say one of the reasons for using that word is to flag what the government is doing when it is making distortions of the truth or coming out with what could be called lies. Mr. Speaker, it seems to me there has to be a means by which members on each side of the House, particularly those in the opposition benches, can bring the government to book when they come here and consistently misrepresent the positions of opposition parties.

10:20 a.m.

I would suggest that where a member of the opposition party wishes to have those corrections made, the Speaker should be prepared to back up the privileges of members of this House on this side and not just on the privileges of members of the government side.

Mr. Speaker: Order, order.

The member's statements are completely erroneous and so is his innuendo. I repeat, it is not the role of the Speaker to rule on matters of opinion. I have no way of knowing at all whether his opinion is any more valid than anybody else's opinion, or if the minister's opinion is any more valid.

Mr. Cassidy: It is another one-sided ruling.

Mr. Speaker: Order. Please do not ask the Speaker to make a ruling on something that is quite clearly beyond the duties and role of the Speaker of this Legislature.

Mr. Cassidy: You are giving the government carte blanche—

Mr. Speaker: No, the member is out of order. I have heard his point of order and I will not recognize it.

Mr. Cassidy:—that is what you are doing.

Mr. Speaker: Order. Another opinion.

The member for London Centre with a final supplementary.

Mr. Peterson: The question, Mr. Speaker, clearly is this: By his own admission, the minister was looking at the Admiral company for a year and a half to two years. He should have known, or his officials should have known, that the company was in very serious trouble. There was the dividend strip and the reverse stock split that squeezed out a bunch of minority shareholders. There was a lot of merchandise sold to dealers for cash at distress prices shortly before the bankruptcy.

Add to that the fact that a lot of small

suppliers are in trouble because they have lost out on their accounts payable to Admiral. All this clearly says investigation is in order to make sure this kind of situation never happens again. The minister should not be satisfied until that happens. Why is he not doing it?

Hon. Mr. Grossman: Mr. Speaker, I am not doing it right now for a variety of reasons. My colleague has already indicated it does not fall under the purview of the Ontario Securities Commission because it is not a public company. The member understands that. Also I have made it quite clear the object of this government and this ministry is to work full out at protecting the reputation of that company and finding new people to invest in it so those people can go back to work.

I repeat: the kinds of questions the member is asking would be appropriate perhaps at a later time. I may have something to say when all of these things sort out. But this is a complex situation involving far more circumstances and a history which is still to be untangled. It is just not as clear as he is suggesting.

I know how angry he, the workers, the suppliers must be—and I am—at the circumstances that led up to it, but right now we have to show some maturity and some calm judgement in trying to rebuild that company. I urge him to follow that course of action.

Mr. Peterson: Perhaps the minister will be good enough to tell me when we can ask some questions. And perhaps he would write out the questions for us so we can ask him.

COVERAGE FOR PROSTHETICS

Mr. Peterson: I have a question of the Minister of Health. For a number of years now my colleagues have been questioning him about his policy with respect to prosthesis. I would take him back to a year ago in Hansard where he said: "I indicated at that time, in answer to the honourable member's question, it is my intention and hope to make a statement by the end of the year. Today is December 12, I have 19 days left to make that pledge." That was a year ago, almost.

Six months later he said in the House, on June 30: "It is a matter we have had under review for some time with a view to trying to come up with a policy which would be both reasonable in terms of additional benefits that might be considered under the health plan. We are in the process of coming up with a policy on that subject."

In view of the fact we are in the waning

months of the International Year of Disabled Persons, does the minister not have a statement or does he not have a policy on that matter? This is something that Mr. McKeough said in 1978 would cost only about \$2 million, which is less than the interest on the jet anyway? What is his position on it? Why does he not do something?

Hon. Mr. Timbrell: Mr. Speaker, the honourable member's colleague, the member for London North (Mr. Van Horne), who is the health critic for the Liberal Party, raised the matter at the estimates committee in his opening remarks last week. I indicated in response that I do have a proposal before cabinet at this time and would hope it could be considered and approved fairly quickly.

One factor that has certainly held up consideration of this, and a variety of other new initiatives I have proposed, has been the uncertainty caused by the member's colleagues in Ottawa about the funding to this government and other provincial governments for health and social services.

Mr. Peterson: That is outrageous. An insignificant amount of money is involved here and the minister should have solved this years ago. Let me put it in practical terms that will appeal to his parsimonious heart. There is a Mr. Cecil Ford, who is sitting in the Royal Ottawa Hospital Rehabilitation Centre because he has not got the \$1,200 for an artificial leg. At the same time, he has run up a \$6,000 bill in that hospital and he is waiting at this time for some charitable agency to find the money for his prosthesis.

If the minister wants to look at it in economic terms, there is an economic argument for him. Why does he not get on with it, give him the leg so he can get out of that hospital and be selfsufficient.

Hon. Mr. Timbrell: First of all, even if the \$2 million figure were correct—which it is not—it is interesting that the person who would like to be the next Liberal Premier of Ontario thinks that \$2 million is inconsequential.

Second, with regard to that case, I had it investigated and I was told that individual could have been discharged a long time ago and looked after by our chronic home care program, which has been greatly successful in that part of Ontario. However that individual does not have indoor plumbing at home and could not be looked after there and has to stay in hospital at this time.

Mr. Foulds: Mr. Speaker, could the minister

indicate to us what concrete advances in health care programs he has implemented this year for the disabled?

Hon. Mr. Timbrell: Yes, Mr. Speaker. One of which I am particularly proud is the introduction of the finalization and the announcement of the government's policy with respect to obstetrics and perinatal care and the detection of abnormal pregnancies and the early detection of and correction of abnormalities in children. That is a major one.

Mr. T. P. Reid: Mr. Speaker, the minister indicated there was a proposal before cabinet. He knows I have raised this matter for a number of years and he is now blaming his federal friends in Ottawa. When can we expect that the people needing prosthetic devices are going to have them before the International Year of Disabled Persons is over? The former Treasurer, Mr. McKeough, indicated to the council on the disabled five years ago that the amount of money needed was very little in relation to the entire Ontario budget.

Hon. Mr. Timbrell: At a time when the federal government is indicating it is going to reduce the transfers to this government by hundreds of millions of dollars, any amount of money for any new program has to be taken extremely seriously, no matter how small it is. I personally would like to see us formulate a policy in this regard, and I am pressing that point. However, I cannot pay for any new program if the money is not going to be there.

ASSISTANCE TO ELECTRICAL BUSINESS

Mr. Cassidy: Mr. Speaker, I have a new question to the Treasurer (Mr. F. S. Miller) with respect to the effectiveness of the government's economic blueprint in the Board of Industrial Leadership and Development program as far as workers in the electrical industry are concerned.

Is the Treasurer aware the Canadian General Electric company has had about 2,200 jobs lost in its plants in Toronto over the course of the last decade, and that between last December and this coming December it expects employment in the big Davenport Road plant will be down from 1,100 to about 600 with another 120 layoffs just announced in the last week? Would the minister say what the government's economic blueprint offers with respect to those workers here in Toronto in the CGE plant and in the electrical industry? What hope does he have for them in terms of creating jobs or getting their jobs back?

Hon. F. S. Miller: It is an interesting question, Mr. Speaker, because the BILD program addresses that very issue and the member knows it. Number one in our priorities in the BILD program was to increase the use of electricity in Ontario.

We have moved ahead and speeded up the creation or building of new generating facilities in Ontario in so far as they could be speeded up. We put a program in to help people convert to heat pumps in rural Ontario so that they could use more electricity and buy Canadian-built heat pumps.

10:30 a.m.

Hon. Mr. Davis: They were opposed to Darlington.

Hon. F. S. Miller: Absolutely. The member is opposed to us getting into the electrical business. That company's future and many of Ontario's manufacturing industries depend very much upon the health of the general electrical industry and we are taking real measures to help them.

Mr. Cassidy: The minister seems to ignore the fact that those 2,200 jobs that have been lost at Canadian General Electric in the last decade, with the closing of the Wingold, Tycos, Rexdale, Dufferin Tube, Royce Avenue and Ward Street plants, has occurred during a decade when there has been a great deal of priority given to electrical energy by this government.

Perhaps the minister could explain how the Board of Industrial Leadership and Development initiatives will specifically help those workers at CGE? When we asked BILD officials for the list, we were told the amount that has been committed by BILD for upgrading transmission facilities amounts to \$500,000. That is in the documents that were released a week or so ago. We have learned the only thing that is actually being done within BILD in terms of transmission facilities and the electrical industry is a \$500,000 project in order to upgrade a transmission line to the McRae Lumber mills in Whitney, in Renfrew county.

What is that going to do for 500 CGE workers who have lost their jobs in the past year? What is it going to do to calm the fears of the workers in the Davenport Road plant that their plant may be shut down completely in another two years?

Hon. F. S. Miller: The member has chosen one example of a very specific upgrading of transmission facilities.

Mr. Cassidy: That is the only one that is listed.

Hon. F. S. Miller: I am just pointing out that we are also trying to upgrade the whole use of electricity. We are able to produce electricity at a guaranteed future price that will make it far more competitive across our future than other less dependable and more inflation-prone sources of energy. We have indigenous sources of uranium. The New Democratic Party has often been against utilization of uranium in this province.

Mr. Ruprecht: I have had a meeting with the management of CGE on Dufferin Street. What they tell me is different from what the Treasurer tells us.

We would like to know what measures the Treasurer is taking, other than creation of new heat pumps, for those workers who are involved in the manufacture of electrical light fixtures and things of that nature. The Treasurer has told us he is into heat pumps and then he tells us he is helping the industry a great deal. All he can come up with is heat pumps. What else is he doing to help these workers maintain their jobs?

Hon. F. S. Miller: I know some of those plants pretty well. I was born about one block from the major plant the member is talking about. I grew up there.

Mr. Peterson: You have been everywhere. You know everything.

Hon. Mr. Davis: I have got to tell you David, he doesn't know everything but he knows far more than you.

Mr. Speaker: Order. Will the Treasurer respond to the question from the member for Parkdale, please.

Hon. F. S. Miller: This is one of those rare occasions when I agree with my official critic. I do know more than he does.

Mr. Peterson: When are you going to start showing it then?

Mr. Speaker: Will the minister just answer the question from the member for Parkdale, please.

Mr. Kerrio: We will make the assessment.

Mr. Speaker: The member for Niagara Falls will have an opportunity to ask questions later.

Hon. F. S. Miller: By not responding, I was trying to show one thing I have that he has not, and that is good manners.

Mr. Speaker: Now with the answer.

Mr. Kerrio: Tell us you are better looking too.

Hon. Mr. Davis: He is quite right about that.

Mr. Speaker: Will the minister please proceed.

Hon. F. S. Miller: Beauty is in the eye of the beholder.

Mr. Speaker: Never mind the interjections, just answer the question. Do you have an answer?

Hon. F. S. Miller: No. But I will try to make one up. Mr. Speaker, the truth is that of course we have answers. I just cannot help but respond that way sometimes. You know me.

I mentioned yesterday that it is a common ploy of members in the opposition to complain about what we do not happen to be doing with one kind of program. The Board of Industrial Leadership and Development was put in place to have a basic strategy in the medium to long term. It is doing that. That the creation of a new industry in this province, building heat pumps in Canada, is unimportant is an idea that is beyond my comprehension. To my knowledge, that company stands to be in as good a position as any other to profit not only from the construction of heat pumps but also from the construction of components for heat pumps in the companies across its provincial operations.

Mr. Cassidy: Can the minister explain, for the 120 workers who have had layoff notices in the last couple of days and the 500 workers losing their jobs this fall at the CGE plant, how they are going to benefit from this strategy when CGE has just gone out of the distribution transformer business, when it has just closed down its specialty transformer operations at the Davenport Road plant?

What does this BILD strategy mean specifically, and not in general terms, to workers who do not know where their next job is going to come from and who do not know where their future is going to lie in a province that in the past has been able to look after them and provide them with jobs?

Hon. F. S. Miller: One of the more difficult problems for government, as we expand the generation and distribution of electricity, is getting the approval of distribution routes. I hope the honourable member has not stood in the way, for example, of the distribution of electricity from Bruce, which to some degree has been locked in for some time.

Mr. Cassidy: Your own government has done that.

Mr. Peterson: It's your own bloody fault—every bit of that. Don't start blaming it on them. It's just total incompetence on your part. You've been fooling around like that for years.

Mr. Speaker: Order. The Treasurer will

proceed to answer the question from the member for Ottawa Centre, please. The member for London Centre will please contain himself.

Mr. Peterson: Well the Treasurer is making me angry.

Hon. F. S. Miller: In any case, Mr. Speaker, the success of the overall electrification program which we have enunciated, and which I suppose has been more successfully carried out in Ontario than in any other part of the world, obviously has to be tied in, part and parcel, with our ability to get these transmission facilities in, and therefore the whole electrical industry is improved when that happens.

Mr. Cassidy: Mr. Speaker, I have a new question. However, I do note that, according to the union, Ontario Hydro did not order or buy a single transformer in the beginning months of this year.

GREENACRES HOME FOR THE AGED

Mr. Cassidy: My next question, Mr. Speaker, is for the Minister of Community and Social Services, who said in the House on November 12, "No reasonable request by Metropolitan Toronto will not promptly be met, provided it is within the formula," in talking about Greenacres, the home for aged in Newmarket where devastating reports of conditions were finally unveiled after being ignored by the ministry for such a long time.

Will the minister now say when the government will approve the 1981 budget for Greenacres and what steps are being taken to ensure that this kind of budgetary delay, with the impact it has on old people, does not recur at Greenacres or in other institutions across the province?

Hon. Mr. Drea: Mr. Speaker, if the leader of the third party had been at a very nice dinner last night, where my pal the Metro chairman and I were listening to Joe Clark's speech and a great speech by the Premier (Mr. Davis), he would know it was done across the dinner table last night.

Mr. MacDonald: Why don't you answer the question?

Hon. Mr. Drea: Mr. Speaker, there is some harpy over there who says, "Why don't you answer the question?" The member asked me a question, and I said it was done over the dinner table last night.

Just to keep in perspective the question of

Greenacres, I told the Metro chairman and my friend Alderman Chong, who is on the Metro community services committee—

Mr. Cunningham: The minister sounds like Zena Cherry.

Hon. Mr. Drea: Well, I have a lot of friends, unlike over there, I like to say where I was.

Mr. MacDonald: Answer the question. Quit wasting time.

Interjections.

10:40 a.m.

Mr. Speaker: Will the minister please address the question?

Hon. Mr. Drea: I am, Mr. Speaker. In terms of that report, I had told the Metro chairman, Paul Godfrey, and Alderman Gordon Chong, who is on the community services committee, prior to the answer I gave on the date the leader of the third party said. I really think that was on the basis of their getting an eminent gerontologist to do that.

There is one little point I want to make. The budget approval is an academic thing; it has nothing to do with this. The reason the budget has not been approved is his friends in the union. Metro was coming forward with a budget early in the spring. A key component of it was a reclassification of the employees. They said that would be accomplished in a relatively brief period of time. It was not, and they asked us to hold up approval of the budget until they could deal with that internal matter.

The simple fact of the matter is that the money flowed out to Metro for Greenacres Home for the Aged just as though the budget had been approved. Whatever additional help Mr. Godfrey feels is reasonably needed in that facility, and he has always been reasonable, will be met. It was agreed to last night.

Mr. Cassidy: The minister said approval of the 1981 budget was an academic matter which had no particular impact. Is the minister not aware of the shortages of sheets, blankets and other basic supplies and of the recommendation in Mr. Samuel Ruth's report that all supplies requested in 1981 should be ordered at once? Essential supplies of blankets and sheets and so on, which should have been brought in there at the beginning of the year to look after old people, were being delayed apparently because of what the minister calls an academic question.

What steps will the minister take to make sure that does not occur in future so that, if there is some particular reason why a certain academic

approval has to be delayed, it does not mean the essential functioning of an institution like Greenacres is impeded the way it was this past year?

Hon. Mr. Drea: I talked to Mr. John Kruger, who compiled an original report dealing with the specific allegations the union made about lack of blankets. If I recall correctly from Hansard, and I would like to read it—the leader of the third party does not want to repeat some of the things he said that day because he knows they were proved untrue. I specifically talked to Mr. Kruger when he did a review prior to this one.

The question was about a lack of facecloths so that people's faces were being wiped with brown paper. That is not true. It was not a budget matter. For those people whose skin is allergic to flannel, another product was substituted to give them more comfort. It was said there were some beds with no blankets. I have been assured that is not true; and Mr. Kruger's study, which preceded this one, said that was not true.

The reason I said the whole question of the budget was academic was that it dealt with a range of pay and classification for personnel which apparently had been agreed upon. Then there was a disagreement between the two parties; they asked us to hold up formal approval of the budget until they could agree on that matter.

For the second time today, I say the budget money for Greenacres flowed each and every month. That obviously includes all the supplies required there. There is no home for the aged in this province that does not have a sufficient flow from the ministry, either on the 80-20 basis or picking up the deficit on a 70-30 basis at the end of the year, to have sufficient funds to buy and have on hand at all times the supplies necessary for the care of elderly people.

If the member will read those reports, they question not the money but the way in which the management of the institution had various purchasing policies, various laundry policies and so forth.

Mr. Cassidy: It sounds as though the minister does not appear to have even read Mr. Ruth's report, which indicates that because of the particular responsibilities that are taken on by municipal homes for the aged, they were getting patients who were not classified and therefore, according to the report here, if there is no classification these people could not exist; it really is a catch-22 situation.

If the funding was adequate, then why is it that the recommendation is now being made for an additional 39 staff for 1982? If the minister is prepared to accept that recommendation for additional staff, then why was he not aware of the problems at Greenacres, which were caused, at least in part, by the lack of staff in the past?

Is the minister aware of the basic findings of the Ruth report which apply across the province, that where people used to be admitted to homes for the aged because they were old and homeless and may have needed some protection, food and shelter, they are now being admitted because they are old, frail and sick? It is a different ball game, but we are still playing by the rules established some 25 years ago.

When is the minister going to change the rules to ensure that elderly people who are old, frail and sick in the homes for the aged can get the decent care we all would want them to have?

Hon. Mr. Drea: I wish the leader of the third party would talk to his own critic, because his own critic was rather startled when I gave him various findings from across the province regarding the matter that homes for the aged had virtually ceased to have a residential component, that indeed they were into heavy nursing care for people in their early and mid-80s who were coming in on a frail, elderly basis and so on and so forth. His party's critic was amazed at that a month ago; so he should not sit here today and tell me I do not know anything about it.

The matter that the leader of the third party is referring to is an appendix to that report. I read that report with great interest. The past two ministers, the member for Prince Edward-Lennox (Mr. J. A. Taylor) and the member for Kingston and the Islands (Mr. Norton), changed the component of homes for the aged and brought in a formula that would fund for extended care.

What is being argued and put forward is a very serious document because that document will mean, if we accept it, the end of homes for the aged. It is talking about health care centres. I certainly read it.

The particular question at Greenacres was about certain allegations regarding the care. That report notes how much the staffing at Greenacres had gone up over the years. And who paid 80 cents on the dollar? It was this ministry. The year before, when they came in and said they needed more staff because the care was heavier there, it was granted. So I say to the leader of the third party he should not stand up and start off on his little thing about

when am I going to do something, and then come back to the appendix and try to put in the whole ball park.

Whenever there has been a reasonable request by a municipality or a charitable home for the aged because of the heavier care that was required, then provided they stayed within the 60 per cent ratio for nursing care, it has always been granted by this ministry. And it is open-ended on the deficit; it is the only government program I know of that is still open-ended on the deficit.

NIAGARA REGION SENIORS BED SHORTAGE

Mr. Haggerty: Mr. Speaker, I want to direct a question to the Minister of Health. The minister is well aware of the serious problem in the Niagara region where bed shortages are so acute that many physicians fear for the quality of patient care. Is the minister aware of the recent review and report on the same issue by the Niagara Region District Health Council, on extended care and chronic care needs for the future, indicating a serious problem and current shortage of facilities for patient care?

Is the minister also aware of the recent decision taken by regional council, concerning Niagara region homes for the aged, and involving drastic steps such that no more patients requiring extended care are being admitted to the region's five homes for the aged because of the lack of provincial funding and shortage of extended care beds? What steps is the ministry prepared to initiate to relieve the serious problem in health care needs for the many seniors within the Niagara region?

10:50 a.m.

Hon. Mr. Timbrell: Mr. Speaker, if the main thrust of the question has to do with the homes for the aged, that question should be redirected to my colleague the Minister of Community and Social Services (Mr. Drea).

Mr. Haggerty: I do not know whether it should be directed to him. There are two areas here in which both ministers should be involved, since the matter relates to extended—

Mr. Speaker: You did make a reference to the district health council report, which I presume had to do with nursing homes. So you have two questions; which one do you want answered?

Mr. Haggerty: Mr. Speaker, it is combined. The health council report refers to extended care service and chronic care service.

Mr. Speaker: Let us start with the Minister of Health.

Hon. Mr. Timbrell: Mr. Speaker, the honourable member sent me a copy of a news item from the Niagara Falls Review. I am not sure of its date. It has to do with the home for the aged, which is current. Questions about that should be referred to the Minister of Community and Social Services.

With regard to the district health council report—I could be mistaken, because there a number of reports coming out all the time—I do not believe that report has been finalized yet. In recent years, though, we have approved several additions in the Niagara region. I am thinking of the addition of the chronic unit at the Welland County General Hospital in Welland. I am thinking as well of the approval to proceed with the addition to the Shaver Hospital in St. Catharines, for which a campaign is under way to raise the capital.

With regard to the question of additional nursing home beds, it has been our policy, where the need has been identified and the methodology of the review is proper, to add nursing home beds as the funds become available. On that basis, in the last two years we have added 1,000 nursing home beds, which are now in various stages of approval; either they are being competed for, they have been allocated or they are under construction, and some have opened.

I will check, but I do not think that study on long-term care needs is completed. It was suggested to me that study may have found they are oversupplied on chronic beds. That is something I heard recently.

Mr. Bradley: I doubt that very much.

Hon. Mr. Timbrell: I am just saying I heard recently that may be one of their conclusions. When it is completed, assuming the methodology is correct, as funds become available in the next fiscal year I will be proposing to add there, and in other parts of the province, nursing home beds by proposal call.

Mr. Haggerty: I believe the report mentioned a serious problem in the city of Niagara Falls and in the town of Fort Erie, that there are insufficient facilities there for extended and chronic care requirements for the seniors in that area.

Hon. Mr. Timbrell: I do not believe it is completed yet. It may well be in draft stage and circulated for comment. I will check. If I am wrong, I will say so. I believe it will be finalized not too far in the future; so we would then have it on hand to make some decisions for the next fiscal year.

Mr. Swart: Mr. Speaker, does the minister realize the decision of the Niagara regional council to cut off further admissions to nursing home care and extended home care to the county homes was done on the recommendation of Doug Rapelje, who is the chairman of the government's own advisory committee on senior citizens?

Does he not think that would be serious enough to cause him some concern about the shortage that must exist in that area? Why will the minister not take some immediate steps to expand nursing home care in the Niagara Peninsula?

Hon. Mr. Timbrell: Mr. Speaker, with respect, I submit that should be considered a new question and should be directed to the Minister of Community and Social Services, who has the—

Mr. Swart: I am referring to extended care beds.

Hon. Mr. Timbrell: No. We are talking about the home for the aged, its admitting policies and its relationship to the Ministry of Community and Social Services. I will be glad to redirect the question.

Interjections.

Mr. Speaker: Order. I ask the member if he wants to redirect that.

Mr. Swart: Mr. Speaker, if you will give me the permission, yes, I want to redirect it. But it seems to me it comes properly under the responsibility of the Minister of Health.

Mr. Kerrio: On a point of order, Mr. Speaker—

Mr. Speaker: You have a supplementary?

Mr. Kerrio: Yes, I do, because his is a new question.

Mr. Swart: Well, I can redirect it.

Mr. Speaker: Order. No, I will allow you a new question.

Mr. Peterson: What are we talking about?

Mr. Speaker: What am I talking about? Quite clearly, he is going to direct a new question to a different minister.

Mr. Kerrio: It is not his turn.

Mr. Speaker: No.

Mr. Swart: On a point of order, Mr. Speaker: You asked me if I wanted to redirect it, and I said yes. The fact is—

Mr. Speaker: Well, it is a new question, and it is not your turn for a new question.

Final supplementary; the member for Niagara Falls.

Mr. Kerrio: Mr. Speaker, does the minister not find it unconscionable that he sits in the cabinet, where there are all kinds of programs related to selling cars and everything else which are open-ended, and now, when he is dealing with the health of our elderly people, he is talking about limitation of funds? Does he not think he should urge his fellow cabinet members not to have a cap on these types of programs and to take care of our elderly?

Hon. Mr. Timbrell: Mr. Speaker, surely the honourable member, who professes to be such a free enterpriser—

Mr. Kerrio: Not with health; let's get that straight.

Mr. Speaker: Order.

Hon. Mr. Timbrell: —is not suggesting that the largest budget in the government should have no controls on it at all. Let me point out to the member that spending in my ministry on institutional services in the last two years alone has gone up 29 per cent; it has gone up \$600 million in two years.

We on this side have no reason at all to be ashamed about our commitment to the health care of the people of this province, particularly our elderly. That is not even getting into the question of adding the chronic home care program in the member's area, which is also having a very positive impact on the elderly population.

OHIP COVERAGE

Mr. Grande: Mr. Speaker, my question is to the Minister of Health, and it has to do with the children in this province who are suffering from the skin disease about which I was asking the minister the other day.

In view of the fact that Mr. Kozak has now declared publicly that he will reveal the methods and drugs that he uses to clear this skin disease when he arrives in Toronto; in view of the fact that to do the testing of the drug or drugs would require somewhere between one to two years and perhaps even longer; given the fact that Dr. Boxall, an expert in dermatology, said he would do nothing "to dissuade an individual from going to get the treatment"; and given that the success rate of those particular cases that have gone to West Germany is 100 per cent, will the minister agree that while the testing of the drug is being done, the Ontario health insurance plan should pay for the treatment and transportation of the children and adults who are currently suffering, rather than leaving them for two years without effective treatment?

Hon. Mr. Timbrell: Mr. Speaker, I think we might be wise to wait for 48 hours until the gentleman in question arrives here and tells us whatever he is going to tell us.

I am not taking as a foregone conclusion that whatever he might disclose would require extensive testing, although surely the honourable member recognizes that in all areas of medical care it has been our policy that experimental programs would be treated as just that, experimental, and until they have proven themselves they would not be covered under the plan.

I do not know, but apparently the federal minister is going to be meeting with him, and I am anxious to find out what she may have in mind. Let us wait the 48 or 72 hours until we know exactly what it is he is prepared to tell us.

What it comes right down to is that in the Ontario health insurance plan we will cover treatments which the physicians are prepared to stand by. If the physicians are satisfied that it is a proper treatment, it will be covered in the plan eventually.

Mr. Grande: We know Mr. Kozak will reveal everything he knows about that particular treatment and the drugs that are used. He will reveal that. We do know that it will require an extensive time period to do the proper testing of the drug.

The minister left the impression the other day that five minutes after he is satisfied there were no long-term effects, it would be covered. The fact is that it is going to require two years or even more. I am asking, what happens to those children who are suffering that disease right now, and will he not act so that these children can go to West Germany and get the treatment?

11 a.m.

Hon. Mr. Timbrell: Mr. Speaker, I remind the honourable member of a controversy of two or three years ago, and I suppose it is still going on in some quarters, where some people claimed that if one used laetrile, one could achieve miraculous recovery rates from certain kinds of cancer. There were many claims to that effect. However, on testing, it was found that this particular treatment was not appropriate.

All I am saying to the member is I want to be sure, if we are going to cover this, that it is something that is a proper treatment. And I am suggesting to him that there is nothing to be lost by waiting the additional 48 or 72 hours to find out exactly what it is this gentleman is prepared to tell us and what we can do. Let us wait and see. I do not think waiting 48 to 72 hours, to be sure, is asking too much.

TAX GRANTS FOR SENIORS

Mr. Bradley: Mr. Speaker, I have a question for the Minister of Revenue, a question which I ask not only on behalf of myself and the opposition but also, I am sure, on behalf of many of his own members. It is regarding the tax grants for seniors program.

I know we have dealt with this in estimates, in question period and in letters to the minister, but does the minister not recognize that even today constituency offices across this province are swamped, deluged, completely inundated with calls from senior citizens who are absolutely bewildered about the administration of this program and who are seeking some relatively short-term assistance, in other words, pretty immediate assistance, in solving their individual problems?

In view of this fact, what is the minister prepared to do to alleviate these problems and to speed up the process over and above what he has already introduced in this House?

Hon. Mr. Ashe: Mr. Speaker, there is no doubt, as I think I have acknowledged on more than one occasion in here, including in the estimates earlier this week, that with a program of this magnitude we have had some problems. That is right out front and completely honest. But to put on the connotation that everything is wrong and nothing is right, and that there are 500,000-odd people out there waiting for grants, is in error.

There is no doubt we are finding that there are some geographical areas, more than others, that have had problems. And they have nothing to do with political affiliation, let me assure everyone. There are members from each of the three parties involved, just in case that comes to somebody's mind. I know it was not the basis of the member's question.

We are tracking through the computer programming system to see where some of these problems have been. Frankly, it appears that in some cases it is a fact that some people did not even get an application. Apparently, it relates to the situation of trying to stop applications—as happened last year, as the member knows—going into areas where there was a considerable number of institutions that did not qualify.

I think there was agreement, right around the House, that although the actual information on the application forms contained a guideline that certain groups did not qualify, a lot of people applied in good faith and in all honesty, and they got cheques, which we subsequently have had to ask for back.

In trying to stop the issue of applications in these groups, it appears that in some cases attempting to do it by postal code was not completely successful, particularly in smaller areas where a single postal code went well beyond the boundaries of a particular facility. Frankly, we did not become aware of that problem right away.

I am not suggesting that is the only problem, because it is not. There is no doubt that we are finding, as I acknowledged before, that the base information from Ottawa, the tapes from which we regularly update—again, I am not placing anything on Ottawa; these figures change literally every day with the client group—are not completely factual because of changing addresses, resulting in returns of cheques.

For example, I know yesterday I returned on to a senior a \$50 cheque, where there was no apparent reason for it coming back to us in the mail, but it did. When the people contact us, we are once again sending it out, in this case with a covering letter.

Mr. Kerrio: You are a winner. You give them a cheque twice. Is that what it's all about?

Hon. Mr. Ashe: Let us not get that out of perspective. About 600 people out of 846,000 got two or three cheques. It is not \$50 cheques I am speaking about. We found out about this problem immediately, contacted the people and, within a matter of days, had about two thirds of the problem rectified and the people sending back the additional cheques or giving them back through their members.

We are still refining the system. It is not perfect and I will not say it has been perfect or that I am completely satisfied with it. When I consider the volume of the operation and the client group we are dealing with, which is still relatively mobile for many reasons, I think we have done the job quite well.

As part of the post-audit part of the operation, and I am now using that term in its broadest sense, we are again going to review the areas we had problems with this year and incorporate changes into next year's program. We were able to do that quite successfully from last year's program to this year's. There is no doubt in so doing we created some new problems. There is no reason for that to happen again and it is not going to happen next year.

Mr. Bradley: In view of the fact other work in constituency offices has virtually come to a standstill because we are attempting to solve the problems of senior citizens, would the mini-

ster—and I know to his credit he has made some movement in this direction—give some consideration to opening up the regional revenue offices across the province?

I recognize some of them are to do with taxation and not this, but could he open up either the telephone lines or the offices of the regional revenue offices across the province to senior citizens so they can bring in their problems and have them solved on a fairly immediate basis?

The minister's officials have been helpful to the members in trying to solve these problems, but it is so overwhelming I am asking him to consider that suggestion.

Hon. Mr. Ashe: Mr. Speaker, there is one problem with that. I would agree our people have attempted to be co-operative with all the members' offices both before the fact and since. In other words, we kept them involved from day one on the information. We sent them forms so they would know the basic information when they were tracking down a particular case.

Mr. Cassidy: You brought our offices in because of your own inability—

Hon. Mr. Ashe: If the member would listen for a change he might solve some of his own problems.

In any event, we have been helpful. At the same time, we have been utilizing all our offices in an information and assistance way—for example, the Province of Ontario Savings Office, our assessment offices and our sales tax facilities. We have been assisting seniors even down to completing their applications as constituency offices have done.

What we do not have the capability to do without great expense is to tie our various offices into the computer system. We have 64 offices throughout the province. I am sure it would be possible but the costs would be horrendous.

For those members who were not here earlier in the week when that item came up in estimates, let me summarize. One of our problems has been a limitation in the space we now occupy. To further expand our capabilities in terms of telephone lines, et cetera, would involve great expense at a time when the ministry is relocating to its new head office in Oshawa in 1982.

We are already planning for greatly increased capacity to deal with phone calls and to get into computer terminals in the new facility, but I

think it would be an untoward and wrong use of taxpayers' money to put that into a short-term addition to our capabilities for just this year.

MEMBER'S BIRTHDAY

Mr. Manicini: Mr. Speaker, on a point of privilege: I wonder if I could ask my colleagues in the House to join with me in wishing the member for Hamilton Centre (Ms. Copps) a happy twenty-ninth birthday.

Mr. Speaker: Happy birthday.

11:10 a.m.

PAT KINSELLA

Mr. MacDonald: On a point of order, Mr. Speaker: I have something which I am sure you, the Premier and all members of the House will be interested in. You will have noted in the morning paper that Mr. Pat Kinsella, now the deputy to the Premier in British Columbia, told one of the opposition members to shut up and now he faces a contempt of the House charge. It states that: "If he is found in contempt, the former righthand man of Premier William Davis in Ontario could be imprisoned in the legislative basement jail, a punishment last imposed in 1917."

If the Premier will pass the hat, I will contribute a quarter to send a basket of fruit, perhaps even flowers, to Mr. Pat Kinsella in the basement.

Hon. Mr. Davis: That was more generous than the member for York South has been on many other issues.

Mr. Speaker: That was an interesting point of view but hardly a point of privilege.

REPORTS

STANDING COMMITTEE ON REGULATIONS AND OTHER STATUTORY INSTRUMENTS

Mr. Barlow from the standing committee on regulations and other statutory instruments presented the committee's report as follows:

Resolved that supply in the following amounts and to defray the expenses of the Ministry of Natural Resources be granted to Her Majesty for the fiscal year ending March 31, 1982:

Ministry administration program, \$28,691,000; land management program, \$62,191,200; outdoor recreation program, \$61,202,600; resource products program, \$72,676,500; and resource experience program, \$7,368,700.

STANDING COMMITTEE ON THE ADMINISTRATION OF JUSTICE

Mr. Treleaven from the standing committee on the administration of justice presented the committee's report as follows:

Resolved that supply in the following amounts and to defray the expenses of the Ministry of Consumer and Commercial Relations be granted to Her Majesty for the fiscal year ending March 31, 1982:

Ministry administration program, \$4,404,700; commercial standards program, \$7,598,800; technical standards program, \$6,191,700; public entertainment standards program, \$12,839,700; property rights program, \$17,775,400; registrar general program, \$2,403,800; liquor licence program, \$5,809,800; and residential tenancy program, \$3,919,800.

STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Mr. Havrot from the standing committee on resources development presented the committee's report and moved its adoption:

Your committee begs to report the following bills without amendment:

Bill Pr25, An Act respecting the Township of North Dorchester;

Bill Pr32, An Act respecting the Town of Bracebridge;

Bill Pr33, An Act respecting the Town of Gravenhurst;

Bill Pr34, An Act respecting the Town of Huntsville;

Bill Pr36, An Act respecting the Township of Chandos.

Your committee begs to report the following bill with certain amendments:

Bill Pr31, An Act respecting the City of Kanata.

Report adopted.

INTRODUCTION OF BILLS

HIGHWAY TRAFFIC AMENDMENT ACT

Hon. Mr. McMurtry moved, seconded by Hon. Mr. Wells, first reading of Bill 178, An Act to amend the Highway Traffic Act.

Motion agreed to.

ORDERS OF THE DAY

House in committee of supply.

ESTIMATES, MINISTRY OF REVENUE (concluded)

On vote 804, property assessment program:

The Deputy Chairman: Vote 804. We are covering wide-range financing: administration, item 1.

Mr. Haggerty: Mr. Chairman, I started off by discussing this vote as it related to urea formaldehyde foam insulation in homes. The minister responded to my questioning of the policy of the government, and I was not quite pleased with his response saying the people involved in this insulation problem perhaps have overreacted.

There is a problem here that could be injurious to the health and welfare of a family that has this type of insulation. There has been no effort by the government of Ontario or the federal government to remove that risk. I suggest where the risk is present something should be done to resolve it.

Under the Assessment Act if a person has a fire in his home and part of it is destroyed, or even in the business sector under the Assessment Act, certain rebates can be given through municipal taxes to the property owner who encounters difficulties. When a person is retrofitting his home and removing the hazardous material in a period of perhaps three or four months, I suggest we give some consideration under this section to the fact that he has not been able to live in his home normally. The minister has the authority, if he wants to use it, or he can even interpret the manual or the regulations to cover this area.

The other area I was concerned about was mentioned by the member for Essex South and that is the discrepancies in the assessment of golf courses within a county government. I can recall, and this is going back a few years, that when this type of discrepancy was found within a county government the county assessor had the authority to make an adjustment in a municipality where he thought poor assessment practices were carried out.

I can recall that it worked very well in the former county of Welland, where that municipality was penalized and paid a larger proportion of the cost of operating the county government. Since the Assessment Act has been frozen in that area I still think the minister has the authority to do that where there are a number of discrepancies in assessment.

Section 86 of the act is not going to resolve all the problems of apportionment costs to finance a regional or county government. All that does is correct some inequities in property assessment within that municipality; it does not change the ratio of cost to a regional form of government. That is the problem.

11:20 a.m.

To refer back to the member for Essex South, it is not the member's responsibility; the minister should be doing something in that area. The responsibility lies with the minister to bring in some new form of revaluation of a property assessment within a county or regional structure, because it is not fair even under section 86 of the act that many municipalities are venturing into.

Perhaps one can have larger cities with a better assessment basis and a good healthy industrial assessment. They do not think they want to share much of that with municipalities that are rural. That is the purpose of county or regional government, that all these taxes are shared in a sense, that the apportionment costs are equalized or there is some equity in it.

To go back to the golf courses, and I know the problem is there, but the minister is not making any effort to remove those discrepancies that exist. I often heard people say if there were one place where there should have been a county restructuring it was in that area, the Windsor-Chatham corridor. I suggest the practice that continues now is not fair and it is not only in that area. I am sure it is even present in the Niagara region and other municipalities or county structures in Ontario.

The minister does have the authority to do something to change it. We cannot have the assessment frozen for that 10-year period. I am thinking particularly of the area where I think a \$2,500 limit was set by the former Treasurer, Mr. McKeough, below which there would be no increase in property value. One could spend up to \$2,500 in renovating or adding on to one's home.

I think I would have to agree that in the past, section 86 has covered a serious problem. Many persons building additions to their property, such as double garages, were never assessed until section 86 of the Assessment Act was applied to that municipality. One loophole was plugged but there are still wide discrepancies in that area.

I suggest the minister is going to have to come up with some new form of revaluation of property assessment in the province. We cannot have it frozen forever and ever. He can still work under the present conditions where one uses a percentage of the market value. Even this took place some 10, 15 or 20 years ago. Assessors used to assess on that. I think of the county of Welland, where property used to be assessed at about 33 per cent of the market value or the sale value of a property.

The old county form of government with the county assessor was a good system. There should be something in force today in this area where he can single out the discrepancies from one municipality to another. I found it quite informative to be on an assessment committee of a county where the committee could go out and make spot checks from one municipality to another of a home of similar value, design and construction. We could go out and check the assessors to see how close assessments were from one municipality to another and compare their valuation on property. I think it was a good practice.

One thing lacking at that time, though, was that the province did not have a mandatory assessment manual across the province requiring every assessor to use the same formula. If there was a good active county council and good active county assessor, many of those discrepancies could be removed. I think Welland county at that time had an exceptionally good assessment practice. At different times I attended a number of assessment conventions and the deputy minister would always be one of the people who brought forth new ideas in this area. I think he has made a total mess of assessment in the province.

The case has just been brought to my attention of a person who has built a new home and, perhaps because it is in a rural area, the only service he gets from the municipality is the township road and one garbage pickup a week. He complained when he got his assessment that he thought it was too high in comparison with the other properties.

The assessor came up and looked it over and said, "Yes, I think we have made a mistake." He said, "We have included the utilities in the home as part of the assessment value of the property." To my knowledge, that is not the intent of the assessment manual or assessment practice in Ontario. If that is the case I wish the minister would tell me because I think that is the wrong approach to take on assessment.

There is an assessor in Welland county, Mr. Ralph Wilson, who I believe is located at the central office in Brantford. Assessment was made against a former county judge in Welland county because he had three fireplaces. The assessor wanted to assess them because he thought they added value. The person who heard assessment appeals at that time was the county assessor, and the fireplaces were never assessed as part of market value of that residential home.

Things have changed now. I understand a built-in fireplace adds value to the property, and that is the way it should be. I have used a Franklin fireplace, so I do not have my assessment increased that much and still get the same benefit out of it. People often tell me they are going to put up a fireplace. I tell them it will cost an additional \$70 or \$80 a year on municipal taxes if they do. I suggest they go to a Franklin or another type of heater.

Because of this energy crisis many people are doing that. Many people are just putting in a brick-veneer chimney and use the Franklin and another type of heater in their basement or in their living room or spare room. I suggest there is much that can be done if the ministry takes the initiative. He cannot go on the way he is now, forever and ever bringing in amendments to the Assessment Act, year after year, moth-balling market-value assessment.

It does not have to go to full market value. I do not have to tell members about the evaluation of property today. It certainly has gone high, but not for the reason that value is being put into it. One of the reasons is the turnover in a particular home. I have seen this and I have watched it closely throughout my area and the Niagara region. Within a 10-year period homes have exchanged ownership about four times in a number of cases.

The final market sale price of that piece of property has gone way above what it should be. It is inflated, because our real estate agent makes a pretty good profit at 6 per cent. With that building being sold four times within that 10-year period, he is getting up to \$80,000 for a building that cost \$35,000 10 years ago. It adds an inflated value to the price of that property. The agent's commission should not be included in the market sale of that property. I suggest that is one area that he should be looking at. Perhaps he should be taking a good close look at the values that assessors have been putting on homes based upon sales, because it does not give the true picture of the cost of a house.

If I wanted to get a good valuation figure on my property, my best bet would be to go to my insurance agent, because he knows the replacement value and he knows about the sale of property in that area. I think it is a good way to look at it.

As I have suggested before, we should look at the methods that are used in Switzerland, where the property owner himself makes the judgement call on what he feels his property is worth. If he underassesses the amount, when it is sold

the government gets all of the profit. The one person who actually knows the value of a piece of property is the property owner himself—no other person.

11:30 a.m.

Under the new assessment manual and the present assessment practice here, it is not too often an industry is sold every year or twice a year. Perhaps it is sold once in 10 years, and it is pretty hard to put a value on property under those circumstances. I go back to the information coming from the Treasurer at that time, Mr. McKeough, when every time there was a problem he would run it through the computer and get the figure he was looking for. If we were to accept those assessment and revaluation practices today we would find a great shift from industrial-commercial back to residential in relation to the final cost of taxation within the municipality. Their costs would be much higher because of the assessment practices being carried out.

I believe one way of getting the full market value of a property is through knowing what the tendering price for the construction of a new building is.

Can the minister say if appliances are being included in the assessment practices of an assessor today? Is that part of the market value?

Hon. Mr. Ashe: Mr. Chairman, there were quite a few points covered by the honourable member. The earlier ones were all covered earlier in the week, but I will touch on them again because the member did.

We spent considerable time on the urea formaldehyde foam insulation question, and we did acknowledge one of the problems in trying to provide some equity or relief for those who either had or perceived they had a problem, was what the dollar value of that problem is. Until there is a reasonable amount of market information we do not know. That is why we also acknowledged the correct course of overcoming that is to go to the assessment review court as the third party. During our open house process we will be advising people who are appealing their assessment of what to expect, what to prepare and what they should be bringing forth to the court to establish the case.

We also acknowledge a year from now things will be a little different. We will have some better indication of the extent of the problem, particularly as it affects value. We will possibly have a completely different position next year. This year the facts just are not there. The

property transactions are just not there. The assessment review court, in my view, is the only fair answer.

As for the golf courses and what happens now through the regional assessment office compared with what happened before in the county offices, one of the things the member alluded to as being one of the problems was the amount of flexibility available before that is not available now. I agree with that to a certain degree. But that is also what created part of the problem. The reason for many of the inequities and differences in valuations and methods throughout this province was that in some areas some of the local assessment commissioners, as they were still called then, used a little too much flexibility and created inequity upon inequity. This was part of the problem we inherited in 1970.

For example, in the illustration referred to, on the golf courses themselves, this problem was created not since 1970 but before 1970—in 1968 or 1969—when that kind of flexibility was available to the county assessor. The problem is there. The other evening, I set out many of the various options that were there for a solution. Some may be very practical, some may be impossible in political terms in the short term, but to suggest that it is all our fault is really not backed by the facts.

We also have a local person who still looks at equity and is part of the process of creating equalization factors within area municipalities vis-à-vis the county or region they are involved in; he is called the regional commissioner. That is one of his responsibilities. It is probably a little more valid now, a little more complete now and a little fairer now than it used to be. He is still attempting with the guidelines he has, which at least are uniform now throughout the province, not to compound areas of inequity. Again, I am not suggesting that all the inequities are behind us, because they are not. That is one of the reasons why programs such as section 86 have been trying to overcome many of the problems that have been with us for some time.

As I am sure the honourable member is also aware, we have been looking, in co-operation with the Association of Municipalities of Ontario and others, at simulations, county and region-wide, in terms of section 86 program implementation. Again, as I emphasized the other night, one of the very important aspects of getting the full benefits of section 86, whether it comes to apportionment corrections, if you will, or actual valuations within municipalities, is having the

support of the municipal associations and, very important, the support of the municipalities that are involved, because we all know from previous experiences, particularly those having to do with regional governments.

Regional government generally has been working quite well in areas where municipalities have got behind it. Sometimes they have done so a little slowly and a little reluctantly, granted; but they have got behind the system and made it work.

Those areas where there still is region-bashing are where many of the problems still lie. We do need the help, the support and the co-operation of municipalities, whether they are looking after their own local jurisdiction or whether they are part of a bigger unit of either county or regional government. That is why we have been working with the relevant associations to look at this; and if at the opportune time it is appropriate to go that way, we will be able to do so knowing that we have the support of those who are involved.

Turning to the question of the agent's commission: Should they be in market value? We can debate all sides of that issue. If we really wanted to get pure on what is the value of a property, we would have to deduct everything that seems to generate income or profit to anybody. Should we assume that the market value does not include the profit the builder makes? Should we assume that the market value does not include the profit or markup that the subtrades make on the new residence? I think those questions are just as valid as suggesting that the market value does not include a component of the cost of selling or the cost of buying even right down to the actual legal costs of that transaction.

I do not know how we can take out one item on the basis that it is not perceived to be part of the market value. But keep in mind that it is still fair, because as long as it is in everybody's value it really does not change the equality of one property with another. There is always a difficulty if we start trying to remove something, because then we do not remove it for everybody. If a property is sold one on one, without involving a real estate agent, do we look at that property differently from one whose sale does involve a real estate agent? Again, I do not think that would be very feasible or very practical.

There is one thing that still determines the value of a property, regardless of what the owner may think. The member's own words were that only one person knows the value of

the property, and that is the property owner himself. But I suggest that is somewhat far removed from the realities of the marketplace. You can think you have a property that is worth a \$250,000, but if someone is a willing buyer at only half that price I would suggest that maybe both of you are a little out in your valuations. The only true value of a property is what a willing buyer is prepared to pay to a willing seller. I suggest that in most cases it is somewhere in between.

11:40 a.m.

There is no denying that at various times in the last few years we have had examples of properties that were probably being marketed for above their value, even above what was felt appropriate by the seller. But that too was the marketplace in action, where people were literally lined up to counter-offer on a basis even higher than the listed prices. We all know that phenomenon does not last too long and is usually followed by a period of downturn. Overall, there is no doubt that it probably catches some people with a somewhat inflated market value for a short period of time, but I suggest it all averages out eventually.

I think the last point the honourable member asked about was whether we include the value of utilities in the assessment value of a property.

Mr. Haggerty: I think the reference should have been to appliances.

Hon. Mr. Ashe: Okay. That changes the question, for sure. My answer was going to be that there is quite a bit of difference between a property that has electric lights and plumbing and one that has an outhouse and a coal-oil lamp. I think the honourable member would agree.

If one is talking about appliances per se, as I understand it, if these appliances are built in and become a permanent part of the structure, if they are part of the original construction and cannot be removed in a feasible and a practical way, they form part of the assessed value of the property. This is a very small percentage of appliances.

For example, even a dishwasher on wheels that is rolled under a counter—though it may appear to be a permanent structure, we all know it is not—does not form part of the permanent assessed value of the property. So there really is not a straight yes and no; it really depends on how the appliance is installed and whether it is feasible to move it.

Mr. Charlton: Mr. Chairman, I have a number of issues I would like to raise with the minister in the assessment area. Probably it would be better if I did them one at a time, and we can then perhaps discuss them as the minister responds.

The minister will recall that a couple of weeks ago, during the debate on the assessment amendment bill, I raised the question of farm policy. The minister's answer at that time was satisfactory, but I would like to follow that up a bit.

I understand there were, and probably are, discussions going on with a number of the farm organizations about a proposal in terms of taxes on farm properties in the province, the proposal to exempt all of the farm except the house and its lot from taxes.

Can the minister tell me what kind of direction those discussions with the farm organizations have been taking, what kind of response those farm organizations have to the idea of having that exemption on all of the farm portion of their property, the farm outbuildings and the farm land itself?

I ask that question just because of the way in which they responded when that kind of a proposal was originally made a number of years ago. It was somewhat of a negative response, and I am interested in finding out what kind of approach they are taking to the whole thing now.

Hon. Mr. Ashe: Mr. Chairman, the issue having to do with farm land assessment and the managed forest has been ongoing. I think the question came up, if I recall, as to why that was not included in the bill. We indicated at that time that there has been ongoing dialogue and that time just ran out; so it has been postponed one year. I think there was mutual agreement that this should be so.

There is no doubt that in the course of these discussions the positions have changed over a period of time as well. The major position on which I think there now is general agreement is what value one should be putting on it. This has been the main area of contention. I think everybody has come to general agreement as to the removal of taxes, albeit there are differences of opinion between municipalities and the farming industry as to how that should be handled mechanically.

How actual property, the house and buildings directly related to the residents, should be treated related to two differences. The first of those differences was about the size of the lot

that should be included when one is looking at the valuation and whether it should have a different value because one is looking on it as a severed lot when it really is not a severed lot. Second, and I guess the other part of that issue, was the feeling that even all of that should relate in some way to the productivity value of the overall farm which is considerably lower.

I think there is a consensus. I will not suggest at this time that it is a unanimous situation, but I think it has been generally agreed that a 50 per cent factor in valuation is probably fair in terms of the property value itself as being a nonseverable severed lot. Added to that, the actual market value of the building itself was probably fair.

That is still not 100 per cent finalized, but that is the current position, which we feel is probably fair to all sides, keeping in mind that in all this one has to look at the municipality and at the fairness of similar types of residential properties within a community that may not be farming in nature and may have the same services. That is the current position and some of the background that has led to it.

Mr. Charlton: I take it from that there is no basic change in the direction that was indicated in the announcement earlier this year but there may be some specific modifications, such as the 50 per cent method the minister is talking about. I assume that is just on the lot for the farm house and that the minister's target now is to try to be ready to implement some kind of program, whatever is finally decided, next December for the tax year 1983. Is that right?

Hon. Mr. Ashe: Yes.

Mr. Charlton: In the discussions that have been going on, has the minister had much feedback from the farm organizations specifically? I have actually seen some of the feedback from municipalities, I have had a few letters and so on, but I have not personally seen any of the comment from the farm organizations themselves.

Have they made any comment about the tax question? They raised the issue fairly strongly a number of years ago, that they did not like the idea of the government paying their taxes for them. I wonder if that has changed substantially on their part or whether they are totally happy with the direction the minister is going in.

Hon. Mr. Ashe: That was not one of the main problems in the mind of the farming community; it was for some individuals and specific farmers, there is no doubt about that. But that was not the main issue; that was more the concern of the municipalities than the farmers.

It was particularly the Ministry of Treasury and Economics, involved on an ongoing basis through the Ontario Federation of Agriculture, that resolved, put forward positions and counterpositions and so on.

I think there has been a general conclusion and a consensus when all views are considered that the rebate program is still more attractive in the view of, I suppose, the majority than its elimination. As the member has heard it, particularly from some of the municipalities, they are concerned in some way or another that this might disappear.

But one thing we are doing, now that we have more time, is to try to reach even more of a consensus, whatever the final conclusion is, and maybe even do some other refinements along the line as well. For a while there, we did have a great pressure of time. We tried to implement for this year, taxation next year, the budget proposal in one form or another. That became physically impossible. It is to be hoped that the extra time will be well utilized by all concerned.

11:50 a.m.

Mr. Charlton: Mr. Chairman, I want to move on to another area. I have a number of things I want to raise around the area of assessment appeals and the way in which appeals generally are approached.

I raised this generally in my comments earlier this week. The tendency by assessors has always been, and understandably so, that except in the grossest cases of obvious error they attempt to defend the assessment. They do work out agreements from time to time when handling an appeal happens to be somebody who is aware of what he is talking about, certainly in appraisal terms.

That does happen quite frequently. But far too often there is a reluctance, because of the loss of tax question and perhaps because of other properties in the same area that are also assessed incorrectly, to make the changes that should be made.

I can think of one specific example. It was an appeal that I was involved in, and I talked to the assistant deputy minister about the appeal on a couple of occasions. We finally got a settlement for a reduction. We took that settlement to get what we could. I was not satisfied that what we got was the correct reality, though, in terms of market value and in terms of the act. I am talking about a section 86 area now.

Interestingly, although we got and signed a settlement for the people in question on, as a matter of fact, three outstanding appeals—one

that was outstanding at the Ontario Municipal Board, one that was outstanding at the county judge, and a current appeal this year that was outstanding at the assessment review court—there are now a number of other properties on that street under appeal as result of some work by a rambunctious group of people working for one of the real estate firms in Hamilton who are doing that kind of appraisal appeal work. It looks very likely now that there is going to be a further reduction on all of those properties—a reduction, I might add, that in my opinion will come much closer to the reality I was looking for in the first place in the appeal.

It seems to me that through the whole process—and I recall that I suggested there were three levels of appeal outstanding on this one property; now it is going to have to be appealed again this year, along with a number of other properties on the street—we have gone through one hell of a lot of work and cost to get to where we ultimately should have been able to sit down, discuss it and work it out in the first place.

I understand the attitudes that exist because of the problems that a reduction on one property creates for other properties in the neighbourhood that are not under appeal and all the rest of that. But it seems to me we could be using the appeal process much more suitably in terms of part of the mechanism for the ultimate and overall accuracy.

The assessment division should be taking better advantage of that process to find some of its mistakes—because nobody is perfect and people do make mistakes—and using that process to be the starting point for major changes when we find something that is not correct. That does not seem to be happening, and I would like the minister's response to that.

Hon. Mr. Ashe: Mr. Chairman, the whole issue of appeals is a very complex one and no doubt causes some difficulties from time to time throughout the province. The question of when we should be agreeing to change an assessment is always a difficult one. There is no doubt the assessor feels he has done his job right the first time. Similarly, having said that, when it is proven to him that there is something different, that something has changed, or that he has made an error, mechanical or otherwise, then changes can be made. If it is before the roll has been returned, they can agree to a change, send out an amended assessment notice and it goes on from there.

We are talking about it going beyond that and

perhaps perceiving a great many changes usually on the basis of reductions. This is somewhat in conflict. I appreciate, understand and agree that it is supposed to be fair, equitable and supportable. That is the whole basis of it. But we have to be careful about not giving away too easily—and this may be a perception—the municipalities' tax base. That is how they look at it, as members well know.

There is always a fine line between trying to be fair and equitable, trying to eliminate appeals or to finalize them and come to a settlement as quickly as possible and at the same time not giving the impression to the municipality that the assessor is prepared to give away the shop because somebody puts a little pressure on him.

Some areas more than others, and even some assessors more than others, may be more amenable to reaching a settlement, while some may be much more dogmatic in carrying them forth to the appeal tribunal, namely, the assessment review court. Although the magnitude of appeals is significant when you see it in absolute numbers, when we compare that to the total properties within Ontario it puts it somewhat in context.

For example, at present the appeals outstanding for taxation years prior to this one, 1980 and before, were about 34,000 to the county judge, 750 to the Ontario Municipal Board and about 100 to the higher courts. In the 1981 tax year, there were about 155,000 appeals filed throughout the whole province against 1980 assessments.

This year, as I am sure the honourable member is aware, the appeal process was delayed over the summer because they were unable to send notices. The appeal process, particularly at the assessment review court level, was considerably delayed. As of now—and I suppose this is a week or two out of date—about 70,000 of those 155,000 have not been disposed of as yet. However, under normal circumstances a good number of those would have been finalized earlier than they have been this year.

I am not quite sure there is any answer that is perceived to be completely fair by either side in terms of the home owner or, in this case, even a real estate firm that is in the business of trying to lower assessments. That is the connotation I took from what the member was saying; and I am not suggesting such a firm is doing it illegally or anything like that.

How far can one bend to that side without giving the impression to the municipality that

one is taking no responsibility for the erosion of its tax base without having the appellants appeal in front of the proper appeal tribunal, the first stage of which is the assessment review court, where we all know most of the residential appeals are satisfied and finalized?

I wish I could be more specific. We would like the whole system to work faster as well, particularly to reduce this backlog that is over and above the assessment review court. I am sure the honourable member is aware that the appeal functions are not in the purview of this ministry but of the Ministry of the Attorney General. We know they are looking at recommendations and possible solutions to help move the backlog and to help put in place possibly a chain system that would not allow that backlog ever to appear again.

12 noon

The Deputy Chairman: Continuing with the same general train—

Mr. Charlton: Mr. Chairman, I have a few comments to round this part out.

The Deputy Chairman: That's right. You still have the floor, member for Hamilton Mountain.

Mr. Charlton: Just to carry on in relation to the discussion on appeals: I clearly understand, and have always understood, the attitudes that exist both in the ministry and at the municipal level. But if we look at the system the way it is currently operating we will find that in many cases the reluctance to make the changes across the board can cause more disruption to the tax base than not making them in the first place.

Again, I give the minister the example of the case I was talking about where in the first instance we had only one property under appeal. If the assessment office had sat down and said, "Okay, we are going to fix this property right to what the reality of market value on this street should have been, and this fall we are going to change the rest of the properties on the street and correct all the others," the changes that were made on the rest of the street would not affect the city's tax base because they would be made before the return of the roll.

There is one appeal the minister will lose a little bit more on because, instead of being reluctant and giving a settlement that really goes only halfway, he gets the thing corrected properly. You have got one appeal and there is one small disruption to the city's tax base for that year. You make the rest of the corrections, based on what you learned through that process, to the return of the next roll.

Now we have a situation where, because the authorities went the reluctant road on that one appeal and did not make all the changes on the other properties before the return to the roll last year, we have a whole string of appeals in this year, all of which they are going to lose. As a matter of fact, they are not even going to lose in a battle in court; there is going to be a settlement. But it is a whole string of properties this time, and the municipality's tax base is affected to a far greater degree than it would have been if we had settled the one appeal properly last year and made the changes on the roll before it was returned.

That is the kind of thing we have to start thinking about, and that is what I was getting at: the kind of process that uses the appeal process to avoid some of the problems we are now running into.

I want to make one other quick comment. The minister mentioned briefly the Attorney General's ministry and the kinds of changes they are now looking at. I do not want to go into a lot of specific detail, because I understand it is not his ministry; but he certainly has a stake in what they are doing.

There has been a lot of criticism in the press of the assessment review court and the ARC chairmen. There is no question that some of the assessment review court chairmen are damned good: They know their business, they have been around for a long time and they know very well what they are doing. They know market value. But the vast majority of the assessment review court chairmen do not know market value and are sometimes making judgements based on how well they feel the assessor knows his job.

In other words, if the assessor is really impressive, the chairman will go with the assessor. On the other hand, if he gets an appellant who has some expertise or brings expertise with him, then he will go with the appellant. You can get all kinds of decisions from some of these ARC chairmen because they do not know what they are doing.

I think it would be in the minister's best interests to involve himself or his staff in that process and perhaps even to make some recommendations himself. For example, it has been my belief for a long time that the assessment review court chairmanships, instead of being appointed positions, as they are at present, should be civil service positions with a set of criteria that must be fulfilled. Obviously the main criterion is an understanding of valuation, of appraisal of market values. That does not

exist for at least 60 per cent of the chairmen at present, and that is where the kinds of problems we have in the system arise.

Then there is also, as the minister suggested, the question of the problem of the timing of appeal hearings, the numbers and availability of chairmen, and again, as he mentioned, the postal strike which set things back considerably this summer. But even without the postal strike the assessment review court system has been getting more backlogged every year for the last number of years. I think it is in the minister's best interest to get involved in that discussion about changing that whole system.

I have learned over the course of the years I have been associated with the assessment business that a ratepayer who goes to ARC hearings and gets a chairman who does not know what he is doing, a ratepayer who has very little expertise of his own, feels like he or she got railroaded through a hearing. That happens a lot at those hearings. When that ratepayer goes home, ultimately it is not the Attorney General's ministry that he reflects badly on, because the ratepayer does not even realize the ARC chairman is not from his ministry.

It is this ministry they reflect badly on, it is the assessment office they reflect badly on, and it is the whole assessment process that they reflect badly on as a result of some of the stupid shenanigans that have gone on in ARC hearings. It is clearly in the minister's best interest to get involved in the changes that are being made there.

Hon. Mr. Ashe: Just very briefly on that point, Mr. Chairman, I can assure the member that we have been and are involved in that process and have made our views known. I cannot disagree with him at all as to our being the main benefactors of a system that works better, a system that works faster.

Similarly, I am afraid I cannot disagree with him about who gets blamed when it does not work. It is not the Ministry of the Attorney General; it is in one way or another the assessment process and the assessment function, in fact, right down to the local assessor, let alone the ministry and the government. We have been very much involved in the process, and hopefully we will also be very much involved in the solution.

Mr. Haggerty: Mr. Chairman, in the committee dealing with the Ministry of Natural Resources estimates last night, the question was raised by some of the honourable members there concerning crown lands that are leased to mining

corporations which have eventually abandoned their operations due to the depletion of the ore body.

The question is, how much is it assessed for? The minister could not give us an answer last night, so I thought I would raise the question today during the estimates to find out how land is assessed where we have abandoned mines in northern, northwestern and northeastern Ontario, wherever it may be.

Where the mining companies still hold the leases, how is this land assessed in an unorganized municipality, and is it assessed on an equitable basis with property in that area?

It has been brought to my attention that much of the land that is abandoned, where the mining industry is no longer interested in further operations, is good recreational land and could perhaps be farmed out, or the Ministry of Natural Resources could have the land returned to it. Cottage lots could be developed in that area, bringing additional assessment to an unorganized municipality. How is that assessed and who assesses it?

Hon. Mr. Ashe: I will be very frank; it is an area that is relatively new to me, so I got a two-minute education.

As I understand it, the assessment function, even on mining claims and mining property, is still done by the Ministry of Revenue and really has nothing to do with the Ministry of Natural Resources. In actual fact, the value of the property in many instances—

12:10 p.m.

Mr. Haggerty: It is the surface rights I am talking about now, not mining rights.

Hon. Mr. Ashe: That is all we are talking about. We do not try to put a value to the ore body per se. That is done through mining tax.

The property itself can have value depending on the nature of the development, for the actual structures that have been put up, such as the head frames, and whether any refining has been done there. These have an assessed value and, in turn, a tax rate. If it is in an unorganized area it becomes provincial land tax. If it is in an organized area that revenue flows to the municipality in question.

If a mining company abandons its claim because it is worked out, then we perceive it no longer has any value if that is the only reason for the valuation, assuming there are no other things on the property that would accrue value to it. There could be some residential sectors or people still living there as part of the claim. If

one is talking only about a mine head and some storage buildings, and if there is no value to the property since it was abandoned, it no longer has an assessed value either, as far as that aspect of it is concerned. We have to make that clear. There could be other circumstances that would bring about a perceived value to that property even on the ground.

Mr. Haggerty: There was a question raised during the minister's estimates last night. If, for example, a mining company has leased huge tracts of land from the Ministry of Natural Resources for mining purposes, and also has the mining and the surface rights, as soon as the ore is depleted and the mine sits idle—the head frame and other buildings may be there which are assessed at a certain value—a question arises about the mining industry which has a large holding, in a sense, on that leased land which does not revert to the crown. They are sitting on valuable land that could be used for recreation.

If I understood the minister correctly, the government has no assessment on that land. They could be sitting there holding that land for years and years. As the value of recreational land rises they might be sitting on a good nest-egg and contributing nothing in municipal or property taxes to a municipality. I interpret the minister's comments to be—hopefully, he is wrong in this area—that there is no value placed on that land. I hope that is not the case. I refer to the land and the surface rights.

Hon. Mr. Ashe: In trying to expand my education, I hope I did not miss any of the member's question. On the issue of the value itself, on surface rights it is my understanding that it depends on the connotation of the company "abandoning" it. If they have said, "This no longer has any value to us," and they abandon it, apparently then it would once again revert to the crown. Hence, there is no problem anyway. It then once again becomes crown land.

If they just mothball their operations and keep their options open for the future, then I am told we still have evaluation on what is left, either under the heading of a "mothballed value" or even a salvage value, as long as they retain their rights. Once they give up their rights and it reverts to the crown, their obligation ceases.

Mr. Haggerty: Could the minister give me an

indication of what value is placed on it? Is it by the acre or by the tract, by sections or what? What is the figure? Is it across the board?

Hon. Mr. Ashe: I am told it is by acreage.

Mr. Haggerty: What is the figure, though? Does the minister have any idea? Is it \$300 an acre? Is it \$500, as it is in some places in the Niagara region? I would like to know the figures.

Hon. Mr. Ashe: Apparently, as with any other property, it would depend on the nature and value of the lease itself and the location of the property. If you were talking about that kind of land in the Niagara Peninsula, let me know where it. But it would be worth a lot more than if it were up in the far north in a very remote area of the province. The acreage could be the same, but the value could be considerably different even for the same purported purpose.

Mr. Haggerty: Are we looking at 25 cents, 50 cents, or \$50 an acre? There must be some value struck there and that is what I would like to get at. In assessment practice in the province, this may be one area where there is an inequity that should be changed. I would like to know. You must have some factor there.

Hon. Mr. Ashe: There is really not an average or a norm. It depends on the situations I have described before. The only thing I can offer is to make a commitment today to get back to the honourable member in writing with some specific examples of some properties in different parts of the province. They would be specific. There is no norm per se to say whether it is 25 cents or \$25.

I will make the commitment to get back to the member with some specific examples so he can get a feel for the problem if he perceives there is one. I am sure if he feels there is a problem, then through the opportunity of question period I will be pleased to get back to him as well as, obviously, on a personal basis.

Mr. Haggerty: The matter was raised in committee last night. One of the members suggested there was good value in the land, that there were a number of lakes and rivers up there and that it could be used for recreational sites such as cottage sites. I am suggesting this if people want to buy the land from the crown. There is, one might say, obsolete mining industry sitting on that land and they are sitting on it for a purpose, saying there is value to it. It should be assessed at what the value is even for recreational purposes.

In the Niagara Peninsula the practice was that

if one owned lakefront property on Lake Erie one paid a hefty municipal tax based on the assessed value of that land because one fronted on Lake Erie. I understand even in cottage country up in the Haliburton area, if one is on a lake—it depends on the type of lake and if it has a good sandy beach—it is assessed much higher.

There must be value on those abandoned mining operations up there that should revert back to the crown, letting the people who want to use it for recreational purposes get in there. It eventually will mean additional taxes for the local municipalities or even for the unorganized municipalities.

Mr. Eakins: Tell us about the crown lands in your riding.

Mr. Grande: I will tell you what is in my riding if you are willing to listen.

Mr. Chairman, I want to get to my feet briefly to find something out from the minister. For the past couple of years I have represented an area you and your colleagues may be aware of, the borough of York. That particular area always seems, in the Metropolitan Toronto scheme of things, to be the one paying the highest property tax rate in all of Metro.

I have had discussions with the Minister of Intergovernmental Affairs (Mr. Wells) and now will continue with the Minister of Municipal Affairs and Housing (Mr. Bennett), but I want to deal with you in terms of appeals. The reason I am getting up is because a little while back I received a phone call from one of my constituents complaining that her appeal of two years ago had not even had a hearing at the time she got in touch with me.

12:20 p.m.

I asked how on earth that could be possible, because obviously, based on the appeal of that first year, whether one wins or loses, they would establish the assessment rate for the year after. I asked if that had happened. She said: "No. For two years in a row I have appealed my assessment and I have not yet had a hearing."

I got in touch with people in the ministry and I believe—I could be corrected if I am wrong, but I gave them details of that particular case—because this lady did not get back to me, hopefully she was satisfied and hopefully a hearing was arranged. That is where it lies.

I just want to find out from the minister what kind of backlog we are talking about in Metropolitan Toronto. It appears to me there must be a tremendous number of appeals that are not heard or that would have to wait a long period of

time to be heard. Is it possible—and obviously I do not expect the minister to have it done today—that for the different areas in Metropolitan Toronto, the different municipalities, or at least the four assessment offices, he can provide some statistics in terms of backlog, in terms of when the application to appeal was made and to what extent these appeals are still not heard?

I suspect the number of appeals has increased tremendously in the last two to three years. I would even venture an educated guess that the number of appeals is going to continue to skyrocket, especially in Metropolitan Toronto.

For the time being, could the minister provide to every member of the committee the number of appeals that each of the four assessment offices has had for the last two to three fiscal years, and with what speed or lack of speed are these appeals dealt with?

In answer to the honourable member who spoke about the crown land in the riding of Oakwood, we do not have a lot of available land in the borough of York; as a matter of fact, the borough of York happens to be one of the highest concentrated areas in all of Metropolitan Toronto. Whenever we find a square foot of empty space, we consider that to be a precious commodity.

If the minister at least makes a commitment that this information will be forthcoming, I think it would be very instructive—perhaps not to the minister, but certainly instructive to me. Property tax reform in this province is certainly long overdue, and the government has been fiddling around for the past 15 years with no results as yet.

Hon. Mr. Ashe: Mr. Chairman, let me make the commitment that we will secure that information. Again, frankly, it is not directly ours, it is through the Attorney General's ministry and the assessment review court, but we will still bring it together and provide the honourable member with that breakdown; not only the number of appeals by area, but going back and picking up the backlog of any that are outstanding. I did indicate the broad numbers earlier, but that was for the whole province.

As for the whole issue of property tax reform vis-à-vis Metropolitan Toronto, as I am sure the honourable member knows, one of the problems in implementation, even in the past, of some of the recommendations and suggestions that came forward and many of the concerns from Metropolitan Toronto, even including that area of Toronto and over into York,

including the area he is from, as he knows, one of the problems is that some people do not want to rock the boat.

There is no doubt that politically it is a difficult bullet to bite, and I suggest that many people have to take part of the responsibility for the procrastination that has gone on over the years. I do not think anybody at all is pure in the system, whether at the local level of government, the Metropolitan level of government or the provincial level of government. Again, I think we have made strides in the last couple of years and are heading in the right direction. I am sure everybody will be pleased when that no longer is an issue.

But to get back specifically to the question, obviously, as I think he recognizes, I cannot give him those kinds of specifics today. But we will check with the Attorney General (Mr. McMurtry) directly and/or with the assessment review court to see what they have on tap and then accumulate the information and get it to him.

Mr. Grande: Since the minister is so kind as to get me that information I wonder if he would do one other kind thing as well. In the past little while—probably a couple of years, I would say—more and more appeals seem to be coming from the industrial-commercial assessment in the area of Metropolitan Toronto and in my particular area as well, and it appears to me that the incidence of victories by the industrial and commercial sector in these appeals is increasing.

It would be very instructive to find out how many appeals there are in that particular sector and how many appeals have been won by the industrial sector. Of course, as the industrial sector wins more appeals this simply means that an increasing amount of taxes have to be collected, and this in turn means that the burden is being shifted to the residential sector from the industrial-commercial sector. I urge the minister to look into that if he can, please, and also provide me with that information at an opportune time.

Hon. Mr. Ashe: I can make that commitment to the degree that we are able to come up with that information. There is no doubt that we can categorize the nature of the appeals—in other words, determine whether they were residential, commercial, industrial and that kind of thing. There would apparently be great difficulty in perceiving winners and losers, because I am sure one could look at some cases where both sides figured they were winners and others

where both sides figured they were losers. But we will try to put together as complete an information package as we feasibly can.

The only thing I want to caution the member about in advance is that some of the specifics he is talking about just are not available. Whatever is available and whatever we can put together from various sources, I will be very pleased to provide to the honourable member as soon as possible.

Mr. Grande: Mr. Chairman, may I speak for just 30 more seconds? I do not understand what the minister means, frankly, when he speaks about what appear to be winners and what appear to be losers. Somehow he is fuzzy in that area.

If an appeal or a complaint is lodged and is appealed through the assessment review court, if the court deems this complaint or appeal to be founded there is certainly a winner. It might not be the particular amount the person or the company lodging the appeal had asked for; however, the fact is that there has in all likelihood been a reduction of the assessment on that particular property. I would therefore classify those appellants as winners. There is nothing fuzzy about that.

12:30 p.m.

Hon. Mr. Ashe: I acknowledge what the honourable member has said but, as he well knows, I want to put in the caution that whatever figures we come up with are not pure, particularly in the context of the category that he is referring to, which is the industrial commercial sector. Usually these appeals are very substantial and quite often they get changed. In other words, there may be a winner at the assessment review court who becomes a loser at the county court or the Ontario Municipal Board. Those are always in the mill and, as he well knows, on the bigger cases it can take a considerable period of time. We will try to be as accurate and as complete as we can, with those restrictions.

Mr. Charlton: I want to go back briefly to a couple of matters that I raised in my opening statement. The minister responded to most of the things I raised, but there was one issue that I specifically raised with regard to assessment: where we go in the future.

I suggested that perhaps it was time we got this Legislature involved in looking at the future and where we have to go with the whole question of property tax reform. Perhaps it is time we considered setting up an all-party select

committee to spend the next two or three years working on that, from the perspective of trying to find some consensus about our future direction because, as the minister suggested, at this point there is very little consensus between the government side and the opposition side and perhaps even within the government itself.

I know that both of the opposition parties have some varying views, depending on the kinds of situations the minister talked about where the political situation in Metro Toronto may be far different than the feelings up in the Ottawa area, in the Sudbury area or in the Windsor area. It is time we started trying to pull the whole process together here, and started trying to get members of this House involved in that discussion and in understanding the kinds of problems, on which I think most of us will admit that most members of the House do not have a good handle or a good understanding.

I would certainly like to hear the minister's comments about moving in that kind of direction and getting the members of this Legislature involved, in some fashion, in looking to the future.

Hon. Mr. Ashe: I respect the sincerity with which the suggestion is made. I do mean that sincerely because, as I think I already acknowledged earlier this week, there is no doubt that the honourable member opposite does have some personal expertise in this area and could, I am sure, contribute. On the other hand, I think the issues we are talking about, rightfully or wrongly, are really a responsibility of government. I think it is at that point in time, again after we have come up with further proposals and ideas, and one would hope in a quiet way, that we are making progress.

Granted, we have not gone to the degree of involving the members within this political forum, as implied by the honourable member opposite, but we have gone the route of trying to involve a lot of groups and a lot of people and to try to reach a consensus. Frankly, it has not worked, for some of the reasons that we have already talked about. I am a little reluctant to even suggest or consider that kind of route might be appropriate again.

There may very well be an opportune time or an opportunity to refine something that is being implemented or is about to be implemented through having input from the honourable members, but I would suggest, and I think the member alluded to it earlier, that there are very few of us who really have any great expertise in this area. Sometimes what comes out of the

deliberations is far from practical. Politically, they may be very attractive to the proponent, but in a practical sense they may not be very feasible.

I would be a little worried that this kind of an operation might end up going that route, acknowledging again that there is probably only one person here, namely, the member himself, who has had personal experience in the assessment function. I would suggest there are some people here who have some personal feel and involvement in the overall issue, in taxation, administration and problems at the municipal level. I do not belittle that at all.

I guess the long and the short of it is that I do not think that kind of committee is appropriate at this time. However, we may have something a little more serious to look at down the line that may very well call upon the expertise of the honourable member and others to get involved and put politics and political parties aside. I am sure his input and that of a few others would be more than useful.

Mr. Charlton: I think I understand where the minister is coming from and what he is saying. For the purposes of discussion, let me say that I have no illusions about the problems involved and the difficulty any committee of this House would have in coming to a consensus in much the same way as has gone on in the past.

On the other hand, we have had a number of studies. I do not perceive any committee of this Legislature ever setting government policy. That has never happened before. Sometimes the government picks up on recommendations that come out of committees and, either through policy or legislation, implements some of those things.

On the other hand, there are many occasions where exactly the opposite is true. We had the Blair commission, we had discussions back in the 1960s with the Smith committee and we had the provincial-municipal liaison committee, whatever it was, that was working around 1978. All of those discussions have gone on.

I understand what the minister is saying, but one thing he has to admit is that through those processes there was some consensus developed by the municipal people who were involved in the provincial-municipal liaison committee. Some consensus evolved; it brought them as a group closer to understanding where the government was at in terms of market value and general direction. There was some consensus achieved.

None of that consensus was effectively achieved here, though, because none of us was part of

those discussions, none of us heard the presentations or the pros and cons that were argued on the specifics of the things that were being discussed. That is where the benefit lies for this House.

I would not want, nor would the minister, to see a committee take the months of January and February of 1982 and set itself that kind of a deadline to come back to this House with major recommendations on property tax reform. I agree that would be nuts. Not only would it be nuts, but it would probably be counterproductive as well. What I am talking about is something slightly bigger in scope.

The minister talks about expertise, and again that is one of my major concerns: the lack of it in this House. We had a select committee of this House on Ontario Hydro affairs which became a very technical and difficult committee. There was no expertise on the part of most of the members who were originally involved in that committee. However, when they came out of that committee, members from all parties who were involved in that committee had developed expertise and understanding beyond anything they could have achieved by any other method in terms of very complicated issues.

He does not have to jump up and say "Yes" today, but it is something I would like him to think about. In the long run, perhaps there should be a two-year or three-year mandate to study that kind of thing, not only to look at some of the things that are going on in the Ministry of Treasury and Economics in terms of future directions but also to talk to the municipalities and a number of other groups that have been involved in the whole question of tax reform. I do not think it would be a totally backward or useless project if it were set up properly with the right mandate and the right time frame in which to work.

12:40 p.m.

Mr. Chairman: Any comments, Mr. Minister?

Hon. Mr. Ashe: I do not think there is anything of any great substance I did not say before, Mr. Chairman. I want to re-emphasize that I accept completely the spirit in which the suggestions were given. I think I have agreed that at some point some kind of dialogue would be useful. I am not convinced, but we will not completely discard it, that at some time a committee or select committee might be useful. Right now I have some strong reservations about that kind of approach, but the door is never closed.

Mr. G. I. Miller: Mr. Chairman, I would like to ask the minister a question in regard to assessment and particularly the farm property tax reform. Maybe he has answered the question during the discussion of his estimates. Where does it sit as far as the minister is concerned, and is he planning on implementing it in the near future? The second question is: Is he getting input from the Ontario Federation of Agriculture, and exactly where does that sit at present?

Hon. Mr. Ashe: We have discussed this issue twice, Mr. Chairman, the last time being about half an hour ago, but I will be happy to update the member briefly. As he knows, the original proposal in the Treasurer's budget of May 19 of this year indicated there would be a change effected for taxation, grants, et cetera, for 1982.

As time went on, discussions were going on, particularly with the Ontario Federation of Agriculture. The municipalities have a great interest in this area as well; so there was a lot of input through the municipal associations and through individual municipalities that were concerned with some of the initial proposals. The ongoing dialogue was to try to reach some kind of consensus with a view, if you will, to mutual advantage with the Ontario Federation of Agriculture.

Time ran out for implementation on the assessment rolls in 1981 for 1982 taxation, and that was so indicated. As a matter of fact, it came out in the debate on the Assessment Act some two weeks or so ago as to why there were no amendments in the act at that time. We are still going along with further discussions.

At the moment, I think we have a general consensus as to the route it would go to appear on the assessment rolls in 1982 for 1983 taxation. The present system, which has been going on in terms of the valuation and assessment of farms and the farm tax rebate program, will carry on for 1982 pretty well as it has in 1981 and in the last few years.

As to what the final changes will be in 1982 for 1983 taxation, I cannot say for sure, other than that the general parameters seem to be to give a complete rebate for taxation for the farming part of the operation, including buildings, and then to come up with a valuation for the residential part of the property.

A consensus has been pretty well reached that one has a perceived value of a piece of land related to the residential portion of the property. It is looked at as a severed portion but really is not severed and does not carry the same value

a severed portion would; so 50 per cent seems to be the current thinking on that. Then there is a market value on the residence itself so that it equates in value to like properties within the community.

That is the way it is going, but it will not be implemented for taxation in 1982.

Mr. G. I. Miller: I have a second question. I had a request from our federation of agriculture in Norfolk only this past week wondering if somebody from this ministry would be available to sit down for discussions with that organization. They have suggested Mr. W. J. Lettner, the assistant deputy minister for property assessment. Would he be available to meet with them in March, say, and bring them up to date and maybe get input in somewhat the same fashion, I suppose, as my colleague the member for Hamilton Mountain is suggesting, but not on a task force basis?

Hon. Mr. Ashe: Yes. At that time of the year, in March or April, we would be happy to make the assistant deputy minister available for a briefing type of meeting. Again, this has been ongoing, and I did mention this before, more particularly with the people in Treasury rather than directly in Revenue, as the policy was being developed. But we would be happy to bring them up to date as to the current thinking and answer any questions that might be involved.

The Ontario Federation of Agriculture has been and has continued to be very much involved in this whole process. How much they have transmitted down to the local areas, I do not know. From what the member is saying, it may not have been as complete as some of the local groups would have liked, and we will be happy to help.

Mr. Charlton: Mr. Chairman, there is one last matter I would like to raise before we wrap up. It is a matter I touched on briefly in my opening remarks, but it does not deal with this vote. With your permission, it is just more or less a question to the minister, and I think he probably would be prepared to respond or to get some advice from his staff.

It has to do with some of things that have been going on in the tax sector, and I am specifically referring now to a group which started in Peterborough with a Mr. Bruce Knapp. Members have obviously read about him in the papers and know what is happening with his little retail sales tax revolt.

I have looked through the legislation, and I am not sure exactly how the sections are being

interpreted, but my understanding is that what he is doing is refusing to pay the tax at the point of purchase but eventually he will have to pay the tax directly to the ministry. Is that basically correct?

I have had a number of calls from people involved with Mr. Knapp—as a matter of fact, I had Mr. Knapp in to see me—and there were some concerns on their part that the minister would be doing something to try to deal with their little revolt and try to accomplish something to plug up whatever loophole it is that allows them to do that.

My sense of it, having looked at the act, is that if the minister is going to plug any loopholes it will have to be done by changing the act with an amendment in this House. What is his response to that kind of thing? Where is he going with it? How is he going to deal with it?

Hon. Mr. Ashe: Mr. Chairman, we had that question in question period some weeks ago, but I would be happy to update the issue. First of all, we have not had any great indication that this is a significant problem in the marketplace.

There is one thing, rather in opposite terms of what Mr. Knapp and some of the supporters are saying. They are complaining about the spending of governments—and I think everybody will acknowledge, even they do, that they are not just talking about the provincial government but about governments in general, at all levels; this is a means to an end, in their view—and the waste of money and the misuse of money.

At the same time, they are going through a bit of a charade, for the sake of a better word, that would in itself imply a waste of money by government to go out and collect the taxes that we have to collect to be fair to everybody in the system. Whether they disagree with the tax is one thing, but equity is another; the law says they shall pay the tax and, believe me, they shall pay the tax.

If in his view and some of his supporters' views that is how we cut down on government spending, it frankly escapes me. But so be it. Many of the articles I have read—and these are not particularly from Mr. Knapp, but from some of the other organizations at the local level that he has attempted to set up—say: "Yes, we are going to go out and buy something, refuse to pay the tax, but as soon as the tax collector comes to my door I am going to pay it. But we are going to put them through the bother of collecting it." To me, that is completely self-defeating.

12:50 p.m.

I will get an update again shortly—the last was about two weeks ago—but our indications are that to date the incidents are very few and far between. It has not been a problem. They have not been imposing a problem to the degree they imply through their contacts with the press. They are putting the main burden of their problem on the retailer, it would appear, based on the reports we are getting.

As the member has read in the legislation, the responsibility is on the retailer to get an indication in writing—name and address, et cetera, and the amount of tax avoided—from his purchaser. In turn, within 20 days he has to get that into our sales tax office, and we take up the collection responsibility.

Based on the number of those we have been receiving, there are very few, which implies either they are not carrying through their revolt or they are putting the onus on the retailer himself. That is penalizing the retailer in their local community.

Having said all that, if it does become an administrative problem and a waste of taxpayers' money to carry on and collect the sums of money—that is exactly what it would be, in my view: a misuse of government revenues and, hence, taxpayers' revenues—then we will consider very seriously closing the loophole.

It was not ever meant as a loophole in the

context in which it is being used. When the act was first brought into being some years ago, being a new form of taxation, so as not to put the onus of a government tax on the retailer, it said that those opportunities were there. It never became a problem. It was an educational part of the process; so it was never removed from the act. It would require a relatively simple amendment to remove the option from the retailer and make him a mandatory collector.

Mr. Charlton: Would there have to be an amendment to the act?

Hon. Mr. Ashe: Yes. Just as it is mandatory that employers deduct and withhold income tax, that they deduct Canada pension plan funds, that they withhold unemployment insurance and those kinds of things. It would not be a great effort to make that mandatory. It may at some time be necessary, but for the moment the problem is not there.

Vote 804 agreed to.

Hon. Mr. Ashe: Mr. Chairman, there is a suggestion about vote 805, but that is the statutory one and does not require a vote.

Mr. Chairman: This concludes the estimates of the Ministry of Revenue.

On motion by Hon. Mr. Ashe, the committee of supply reported certain resolutions.

The House adjourned at 12:55 p.m.

APPENDIX

ANSWERS TO QUESTIONS ON NOTICE PAPER

COMPUTER USE BY WCB

245. Mr. Laughren: During the last five years how much money has been spent by the Workmen's Compensation Board on computer-oriented research and programs? How many of the computer programs or systems are currently in use by the board? How many of the total money spent during this time has been paid to outside consultants, and what has been the cost of WCB personnel assigned to the research? What has been the cost of computer time related to the research? (Tabled November 9, 1981.)

Hon. Mr. Elgie: Approximately \$11,900,000 has been spent by the Workmen's Compensation Board on new systems development during the period October 1, 1976, to October 31, 1981.

Out of 18 systems under development, 14 are

at present in operational use. The balance of four are either being reviewed for impacts of the Weiler report before proceeding further or are in various stages of development.

The sum of \$9,112,200 was spent on consultants, contract programmers and systems analysts. The approximate salary cost of staff assigned to the development was \$1,742,500. The approximate cost of computer time related to the development was \$778,900.

INTERIM ANSWERS

241. Mr. Breaugh: Hon. Mr. Drea—The scope of the question is such that additional time will be required to research a thorough reply. A final answer is expected on or about December 4, 1981.

246. Mr. Cooke: Hon. Mr. Grossman—The documents requested cannot be provided at this time. The government expects to be in a position to announce further details regarding

this centre within the next several weeks, and will table its background information at that time.

RESPONSE TO PETITION

NAVY ISLAND DEER POPULATION

Sessional paper 263:

Hon. Mr. Pope: Navy Island is 140 hectares (340 acres), located in the Niagara River five kilometres above Niagara Falls. It is owned by the federal government, and leased to the Niagara Parks Commission.

At the present time approximately 150 deer exist on Navy Island. Malnutrition and starvation as a result of over population have been noted in the deer herd for many years. Winter mortality as a result of lack of food, combined with freezing winter weather, was predicted again unless action was taken. The public and the press have requested management of the Navy Island deer herd to reduce the suffering caused by winter starvation and malnutrition.

Options considered:

(a) Letting nature take its course: This is perceived as cruel and a waste of a natural resource.

(b) Winter feeding: This constitutes a vicious circle by maintaining deer artificially and thereby increasing damage to native vegetation. Continuous feeding of an unused deer herd is expensive and impractical. River crossings with feed in winter can be very dangerous.

(c) Harvesting of deer by ministry staff: This was done in the 1950s, resulting in extremely negative publicity. Current provincial health regulations do not permit the ministry, or anyone else, to dispose of wild meat to public institutions unless it has been inspected before and after death by accredited veterinarians.

(d) Live capture and transfer: This is extremely costly, and displacement of deer from Navy Island to any other part of the province is judged to be more inhumane than allowing a legalized harvest. Relocated deer would be greatly stressed on release from the moving process and also from being placed in a strange environment. Survival under such conditions is doubtful.*

The district objective is to reduce the herd from the current high level of nearly 150 to 25

animals. An annual controlled hunt is considered the most humane and effective means to achieve that objective.

The present system of allowing a limited number of hunters to harvest that deer population to prevent the suffering and stress as a result of starvation and winter depredation will be reviewed after this year's hunt. The Niagara Parks Commission reserves the option to decide upon future herd reduction processes.

At the moment there is no other practical alternative and, therefore, it is necessary that the hunt continue.

Harvested deer data collected during the hunt indicated that the island deer are indeed having difficulty finding adequate food. Dressed weights are much lower than those for mainland deer.

Average Weight:

	<i>Navy Island:</i>	<i>Mainland:</i>
Fawns	30-50 pounds	80 pounds
Yearlings	65 pounds	125 pounds
Adults	80-90 pounds	170-190 pounds

The area is checked daily by conservation officers to ensure an orderly hunt.

Any situation such as Navy Island is thoroughly reviewed by ministry staff and various options considered before a management move is taken.

*Moving deer by tranquillizing is a tremendously inefficient operation. Dart rifles have extremely short range which means that very few deer can be moved at great effort. Such operations result in stress to transferred animals for the reasons already outlined and from psychological stress resulting from handling and drugs. Previous operations of this kind have resulted in almost 50 per cent mortality.

In 1973, the University of Guelph, the Ontario Humane Society and the ministry together attempted to move deer from Rondeau Provincial Park. Of the seven deer taken, three died. The difficulties encountered in moving deer and the adverse publicity which resulted from this operation prompted, we believe, Mr. Tom Hughes of the Ontario Humane Society to publicly endorse a controlled deer hunt in Rondeau.

CONTENTS

Friday, November 27, 1981

Statements by the ministry

McMurtry, Hon. R. R., Attorney General and Solicitor General:

Highway traffic amendment bill.	3963
Metro police complaints project.	3964

Oral questions

Ashe, Hon. G. L., Minister of Revenue:

Tax grants for seniors, Mr. Bradley.	3975
---	------

Drea, Hon. F., Minister of Community and Social Services:

Greenacres Home for the Aged, Mr. Cassidy.	3970
---	------

Grossman, Hon. L. S., Minister of Industry and Tourism:

Canadian Admiral, Mr. Peterson, Mr. Cassidy.	3964
---	------

Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics:

Assistance to electrical business, Mr. Cassidy, Mr. Ruprecht.	3968
--	------

Timbrell, Hon. D. R., Minister of Health:

Coverage for prosthetics, Mr. Peterson, Mr. Foulds, Mr. T. P. Reid.	3967
Niagara region seniors bed shortage, Mr. Haggerty, Mr. Swart, Mr. Kerrio.	3972
OHIP coverage, Mr. Grande.	3974

Other business

By-election in Britain, Mr. Peterson.	3964
Member's birthday, Mr. Mancini.	3976
Pat Kinsella, Mr. MacDonald.	3976
Adjournment.	3992

Reports

Standing committee on regulations and other statutory instruments, Mr. Barlow, tabled . . .	3976
Standing committee on administration of justice, Mr. Treleaven, tabled.	3977
Standing committee on resources development, Mr. Havrot, adopted.	3977

First reading

Highway Traffic Amendment Act, Bill 178, Mr. McMurtry, agreed to.	3977
--	------

Committee of supply

Estimates, Ministry of Revenue, Mr. Ashe, agreed to.	3977
---	------

Appendix

Answers to questions on Notice Paper

Elgie, Hon. R. G., Minister of Labour:

Computer use by WCB, question 245, Mr. Laughren.	3992
Interim answers, questions 241 and 246.	3992

Response to petition

Pope, Hon. A. W., Minister of Natural Resources:

100 Navy Island deer population, sessional paper 263. 3993

SPEAKERS IN THIS ISSUE

Ashe, Hon. G. L.; Minister of Revenue (Durham West PC)
 Boudria, D. (Prescott-Russell L)
 Bradley, J. J. (St. Catharines L)
 Breithaupt, J. R. (Kitchener L)
 Cassidy, M. (Ottawa Centre NDP)
 Cousens, D.; Deputy Chairman and Acting Speaker (York Centre PC)
 Cunningham, E. G. (Wentworth North L)
 Cureatz, S. L.; Deputy Speaker and Chairman (Durham East PC)
 Davis, Hon. W. G.; Premier (Brampton PC)
 Drea, Hon. F.; Minister of Community and Social Services (Scarborough Centre PC)
 Eakins, J. F. (Victoria-Haliburton L)
 Foulds, J. F. (Port Arthur NDP)
 Grande, T. (Oakwood NDP)
 Grossman, Hon. L. S.; Minister of Industry and Tourism (St. Andrew-St. Patrick PC)
 Haggerty, R. (Erie L)
 Kerrio, V. G. (Niagara Falls L)
 MacDonald, D. C. (York South NDP)
 Mancini, R. (Essex South L)
 McMurtry, Hon. R. R.; Attorney General and Solicitor General (Eglinton PC)
 Miller, Hon. F. S.; Treasurer of Ontario and Minister of Economics (Muskoka PC)
 Miller, G. I. (Haldimand-Norfolk L)
 Peterson, D. R. (London Centre L)
 Reid, T. P. (Rainy River L-Lab.)
 Renwick, J. A. (Riverdale NDP)
 Ruprecht, T. (Parkdale L)
 Swart, M. L. (Welland-Thorold NDP)
 Timbrell, Hon. D. R.; Minister of Health (Don Mills PC)
 Turner, Hon. J. M.; Speaker (Peterborough PC)



Ontario

LEGISLATIVE ASSEMBLY

No. 112

Legislature of Ontario Debates

Official Report (Hansard)

LIBRARY
DEC 11 1981**First Session, Thirty-Second Parliament**

Monday, November 30, 1981

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Monday, November 30, 1981

The House met at 2:03 p.m.

Prayers.

SUPPLEMENTARY ESTIMATES

Hon. Mr. McCague: Mr. Speaker, I have a message from the Honourable the Lieutenant Governor signed by his own hand.

Mr. Speaker: By his own hand, J. B. Aird, the Honourable the Lieutenant Governor, transmits supplementary estimates of certain additional sums required for the services of the province for the year ending March 31, 1982, and recommends them to the Legislative Assembly, Toronto, November 30, 1981.

STATEMENT BY THE MINISTRY

MUNICIPAL AMENDMENT BILL

Hon. Mr. Bennett: Mr. Speaker, this afternoon I will introduce for first reading an amendment to the Municipal Act and modify it in a number of ways.

It will provide municipalities with greater flexibility in issuing debentures, enable municipalities to contract out their staff as well as their equipment and expand a council's ability to establish transit lanes. It will also remove the ability to establish improvement districts in counties, provide that a declaration of vacancy from a county council constitutes a declaration of vacancy on the local council, alter the contravention of parking bylaw provisions and require local boards to submit to the treasurer of the municipality a statement of the remuneration and expenses paid.

This bill will clarify that all members present at a meeting are to vote; those who fail to vote will be deemed to have voted in the negative.

I will also be introducing amendments to the County of Oxford Act and a bill to amend the regional acts of this province.

ORAL QUESTIONS

HOSPITAL SERVICES

Mr. Smith: Mr. Speaker, I have a question for the Minister of Health. The minister is continuing to speculate about charging the sick to provide revenues for the province. He is now speaking of taxing them for having the audacity to find themselves in hospital beds.

Will the minister explain why he is considering using that method to find revenue? Does he not realize that the people of Ontario will see immediately that all they are doing is proposing to tax the sick to pay for Suncor?

Hon. Mr. Timbrell: Fortunately, Mr. Speaker, 99.99 per cent of the population of Ontario does not possess such convoluted logic as the Leader of the Opposition.

Without going into all the background, including our concerns about the very large cuts being made by the federal government in its transfers to the provinces, let me just say that this matter has been under review for some time and, in his remarks today to the Ontario Hospital Association, the Premier (Mr. Davis) told the assembled delegates that the government has rejected the notion of additional user fees in the hospitals at this time.

Mr. Smith: I am pleased to hear that the Premier has now decided not to do what the Minister of Health apparently was willing to speculate publicly about. But why does the minister consider at all the notion of taxing the ill and the elderly to pay for his government's purchases when the interest on the Suncor deal alone in one year would provide exactly the \$100 million to \$110 million required to restore hospital services to the level they should be at? Why does he not obtain that \$100 million by the simple expedient of not signing this Suncor deal?

Hon. Mr. Timbrell: The record should show that aside from the cuts currently being proposed by the federal government, the only time in my tenure as Minister of Health that anybody has proposed cuts in spending by the Ministry of Health was when the Leader of the Opposition proposed in 1978 that my budget be slashed by \$50 million.

Furthermore, let me repeat for the record the fact that during my tenure as Minister of Health spending on health care has gone up by 68 per cent. What is more, in the last two years alone spending on institutional care has gone up by 29 per cent, a \$600-million increase. Our hospitals are by no means starved.

Mr. McClellan: Mr. Speaker, let us give credit where credit is due: the minister has also cut 2,201 active treatment beds since 1978.

I have the Premier's statement, which says, "For the present, we have rejected user fees." Will the minister explain why in the past he has refused to share with us information on the budget deficit of the hospitals? And will he make a commitment now to table in the assembly an itemized account of the projected \$100-million hospital deficit which, despite all his rhetoric, seems to be just one more burden on an already critically overburdened health care system?

Hon. Mr. Timbrell: Mr. Speaker, just to complete the honourable member's initial gratuitous remark: while it is true that we have reduced the number of acute care beds in the province, at the same time we have increased by even larger numbers the beds in the province dedicated to extended care, chronic care and rehabilitation—all forms of long-term care. So let us have a complete picture. Of course, we will be getting into that later today or tomorrow.

Mr. McClellan: If we ever get the figures from you.

Hon. Mr. Timbrell: Yes, we will, if we ever get to that vote, as I hope we will today or tomorrow.

This \$100-million figure is not our figure. I am not sure at this point how it was arrived at, but I do know that in the year 1981-82 alone the spending for hospitals has gone up by 17 per cent, including an additional \$118 million which was announced in July in relation to the settlements of the hospitals with their more than 100,000 workers.

2:10 p.m.

If the honourable member wants to compare hospital figures, all he has to do is take the public accounts of Ontario; they are all listed there. At this point, I submit to the member that so-called deficits in many cases are projections of need based on what they would like to add in terms of new programs or embellishments; they are not actual deficits in a great many cases.

However, we have begun to deal with the hospitals in one particular area, and that has to do with the life support programs. As well, and I will be expanding on this in my remarks to the Ontario Hospital Association on Wednesday morning, the Premier has indicated apropos the budgeting procedure we asked them to go through this year—phase one budgets for their base operations and the phase two budgets for expansions and pressure points—additional money, over and above of what I have already indicated, will be available in this fiscal year for those phase two budgets.

Mr. Smith: Rather than carry on this peculiar form of government in which the minister speculates about a tax one day and the Premier goes in and says "not for the present" the next day, will the minister just assure us that no further user fees in the health system will be brought in for the province and that if they decide they want to go the route of user fees, an actual bill will be presented to be debated here in the Legislature and it will not be sneaked in by way of regulation?

Hon. Mr. Timbrell: We have never snuck in anything. In this day and age it is hard to imagine how anybody could even think it was possible; but I think I have already answered that question in quoting the Premier's remarks to the Ontario Hospital Association today.

FARMERS' COMPLAINTS

Mr. Smith: Mr. Speaker, I have a question for my friend the Minister of Agriculture and Food, who by now undoubtedly knows that his deputy minister has made a statement telling the farmers of Ontario to quit crying the blues and to stop bothering the government while the ministry takes time to develop its programs. In fact, he said, and I tell the minister this from Saturday's Toronto Star: "Militancy at this time will only alienate cabinet ministers, rather than push for assistance."

Since we assume that the minister is the cabinet minister that he is talking about, does it alienate the Minister of Agriculture and Food when farmers who are going bankrupt continue to tell him about their problems? Does it put him off in some way?

Does he agree with Duncan Allan that they should just shut up while he takes his own sweet time about coming up with something to help these people who are on the brink of disaster? Does he agree with what Duncan Allan has said? Is he the minister Duncan Allan is talking about, or is it some other minister who is alienated whenever he hears the problems of the farmers of Ontario?

Hon. Mr. Henderson: Mr. Speaker, out of all those remarks I learned that this man pretends to be a friend. To start with, that was pretty shocking.

Frankly, the farmers know my position, they know the position of this government; and my deputy minister is quite capable of speaking for himself.

Mr. Smith: Can the minister just take a moment to imagine how it feels to be a farmer

who has been losing money on his farm, who is faced with foreclosure, and who is told that he is just going to have to wait while the government takes its sweet time about coming up with a solution when these problems have been brought to his attention over and over again?

What is the minister going to tell farmers? Is he agreeing with Mr. Allan that they should just cool their heels and keep quiet while the minister and his cabinet colleagues get together to come up with some scheme that might assist them? Is it not time for the minister to tell that arrogant prima donna in his ministry to find himself another job somewhere because he does not understand the farmers of Ontario?

Hon. Mr. Henderson: The honourable member is talking like someone who has had experience on farms. It is unlikely that he knows how to start a farm tractor—and I could tell him many other things. I have lived all my life on my farm, and I am proud of it. If the honourable member would get out on a farm and learn a little bit about it, it would be helpful.

I have met with many many farm groups. Last Tuesday night, I met with a group—

Mr. Smith: You also told them to be quiet.

Hon. Mr. Henderson: Just hold on a minute.

Mr. Speaker: Will the minister just answer the question?

Hon. Mr. Henderson: Yes, Mr. Speaker; it would be a real pleasure, if that fellow would listen. Or maybe he is not a fellow; maybe I should dream up another name for him.

In speaking to 14 farm wives last week, they made it quite clear to me that their problems all came about as a result of the action of the government of Canada with its monetary policies and high interest rates. They made it quite clear to me that if their interest rate were 12 per cent, they would be able to continue. So maybe the honourable member could speak to his colleague in Ottawa and try to get the situation corrected.

Mr. MacDonald: Mr. Speaker, when those 14 farm women stormed the minister's apartment in Sutton Place last Tuesday—

Hon. Mr. Henderson: Oh, wait a minute. They did not storm my apartment—

Mr. Speaker: Order.

Hon. Mr. Henderson: The member's statement is very much out of order.

Mr. Speaker: The member for York South has the floor.

Mr. MacDonald: They came up with the suggestion that \$1 billion might solve their problems; the minister said he thought \$500 million might be closer to it and he was going to take it to the cabinet.

I have a specific question for the minister. I do not want any speeches; I just want a specific answer. Last June, 1,000 farmers came storming into the Constellation Hotel and finally broke through the insensitivity of this government and asked the Treasurer (Mr. F. S. Miller) whether he had \$100 million—no more; they did not ask for anything beyond that, but \$100 million—but he made only \$35 million available. Now that there is the task force from the Ontario Federation of Agriculture, is the minister going to come up with at least the other \$65 million, and do it before Christmas, or is he going to study and work out, after 10 years of drifting, a policy for agriculture?

Hon. Mr. Henderson: Mr. Speaker, let me try to answer the honourable member in the sequence in which he asked his questions.

Mr. McClellan: Just say yes or no.

Hon. Mr. Henderson: He did not ask for a "yes or no" answer. The member who said that did not listen to the question.

The honourable member said that those 14 housewives presented me with a petition that suggested \$1 billion was needed. That is correct. But I pointed out to those women that if the federal government, instead of putting \$500 million into farm credit loans, had put \$1 billion into it, I believe it would have answered the needs of the people. I pointed out to them that the federal government, the party this man over here is associated with somehow—

Mr. MacDonald: What are you going to do? Never mind the federal government.

Mr. Breithaupt: What are you doing about it?

Mr. Speaker: Order.

Hon. Mr. Henderson: They are not very proud of their position with the federal government.

Hon. Miss Stephenson: As they let it be known over the weekend. They spent all weekend complaining about it—

Mr. Smith: If they stopped electing the blues, they would be a lot better off.

Hon. Miss Stephenson: If they would stop electing the reds in Ottawa, they would not have any problem.

Hon. Mr. Henderson: It is a pretty sad day when we have that representing the opposition.

Mr. Speaker: Will the minister just answer the question, please.

Hon. Mr. Henderson: It will be a real pleasure, Mr. Speaker. I pointed out that if the federal government had come along with \$500 million two weeks ago, at the interest rate it suggested, on the terms that it came down with in its budget, and had put that into Ontario instead of the 10 per cent of it—

Mr. MacDonald: What are you going to do about it?

Hon. Mr. Henderson: What are we going to do? If the honourable member would sit down—

Mr. Smith: Put Suncor into ploughshares instead of oil shares.

Mr. Speaker: Order.

Hon. Mr. Henderson: The member really does not know what a ploughshare is.

Mr. Smith: It is a plough with a Suncor label on it.

Hon. Mr. Henderson: He has never sharpened one. He has never had his hand on one. He really does not know.

Interjections.

Mr. Speaker: Order. Will the minister just address the question, please?

Hon. Mr. Henderson: Mr. Speaker, the honourable member from the asphalt riding out in the west end of Toronto should have been at the Ontario Federation of Agriculture meeting last Thursday at noon. I was not able to be there because of a death in our family—and I hear that this honourable member over there made some caustic comments; I am a little disappointed that he does not recognize death as a reason for a person being absent.

At that meeting, the Treasurer pointed out to the farmers—and I have been told this by the farmers, not by that honourable member—that we were studying the Biggs report and, after we have made a complete study of what the consequences will be, we will report back.

Mr. MacDonald: On a point of order, Mr. Speaker: I asked the minister what this government was going to do about the unfulfilled promises of the Treasurer in June, and he did not answer.

Hon. Mr. Pope: You got your answer. Sit down.

Mr. Speaker: Order. That is not a point of order.

2:20 p.m.

Mr. Riddell: Mr. Speaker, I hardly think it is a time for levity. I wonder whether the Minister of Agriculture and Food really understands the

seriousness of the statements his deputy minister is making. We know farmers are so upset with the present situation that they are forming vigilante groups to see that no one tries to foreclose on farmers. Now he has a deputy minister who further alienates them. Does the minister not understand the seriousness of this? Is he not going to have a talk with his deputy minister and tell him he had better get onside?

Furthermore, has the minister had a chance to look at the emergency task force report which was alluded to by the NDP critic? Is he prepared to take immediate action now to put a moratorium on any more foreclosures? Is he prepared to tell this Legislature what assistance he has in mind which the Treasurer alluded to at the Ontario Federation of Agriculture convention last week? What is he going to do?

Hon. Mr. Henderson: Mr. Speaker, I am told this honourable member spoke to the federation at its annual banquet last Wednesday night. He told some off-colour jokes that were not very much appreciated by the farm people, who are pretty good-living people—

Mr. Riddell: On a point of privilege, Mr. Speaker: I think the minister has me confused with the guest speaker of the evening, who spent most of the evening talking about this member over here. I did not tell any off-colour jokes about the minister.

Mr. Speaker: Will the minister just address himself to the question the honourable member asked, please?

Hon. Mr. Henderson: Mr. Speaker, it is pretty difficult to address questions from this member without remembering the great applause he got last Wednesday night for saying nothing. That is the story I get. I just wanted the House to know that.

Mr. Riddell: It seems to bother you.

Mr. Breithaupt: What about your government doing anything?

Hon. Mr. Henderson: Now what was the member's question?

Mr. Riddell: Sit down. You wouldn't know how to answer it anyway.

Mr. Stokes: Sit down. You are just wasting time. You are the biggest joke here—and you aren't very colourful either.

Mr. Ruston: You ought to be ashamed of yourself.

Mr. Speaker: Order. The member for Essex North will please be quiet.

Mr. Ruston: Well, he should be ashamed of himself, saying he is representing the farmers.

Mr. Speaker: Order. Will the minister answer the question, please?

Hon. Mr. Henderson: Mr. Speaker, I must apologize. If I were sitting over there, I would feel badly about the way the federal government is acting as well.

Mr. Breithaupt: What is your government going to do about it?

Hon. Mr. Henderson: We have answered fully and clearly what we are going to do. We are studying the report and will report back.

Mr. MacDonald: Mr. Speaker, on a point of order: I do not know how you are going to cope with this problem, but the minister was asked a question twice, by myself and by the critic from the Liberal Party, and deliberately and in a calculated way he did not answer it.

Mr. Speaker: Order. You know as well as I do that ministers do not have to answer questions if they choose not to.

Mr. Ruston: Call him before the bar of the House.

Mr. Riddell: Both the minister and his deputy have to go, and the sooner the Premier (Mr. Davis) realizes it, the better. The minister is a joke in the farm community.

Mr. Speaker: Order.

BILD PROGRAM

Mr. Martel: Mr. Speaker, I have a question of the Treasurer. In his statement to the Legislature the other day regarding the Board of Industrial Leadership and Development, he stated: "I pledged 50 per cent of that amount in the form of new money, with the balance to come from redirection. . ." Then he went on: "All in all, BILD has approved and announced 45 projects designed to stimulate and develop the economy of our province."

How can the Treasurer make a statement like that when in one area in which we sought information, dealing with the Ministry of the Environment, we requested a breakdown of the \$15.9 million and learned that of that amount only \$4.3 million, or about 27 per cent, is coming from BILD? How can he say that 50 per cent of the money for BILD will be new money?

Mr. F. S. Miller: Mr. Speaker, I will be glad to get details on any specific project where I can. Some of the 45 projects, we pointed out, have not yet been publicly announced; details of them therefore have not been made available, but they have passed the commitment stage.

Any one project, of course, does not necessarily contain 50 per cent new money; some

projects are all BILD money, and some are virtually all from either a ministry or some other source. The sharing ratio will vary greatly. Nor should it be the same from project to project.

Mr. Martel: When the Treasurer said he pledged 50 per cent of the amount for BILD in new money, was he aware with respect to the three projects for the Ministry of the Environment that in Collingwood the province is contributing only \$4 million of the total in new money, or 29 per cent; that in Edwardsburgh it is contributing \$100,000 from BILD, or 33 per cent; and that in Huntsville the amount from BILD is zero and the province's share of old money is \$33 million?

If the figures we have been given are correct—and I can assure the minister we had some difficulty getting them—how can he state that the funding of 50 per cent will be all new money in BILD?

Hon. F. S. Miller: I am taking averages again, and not specific projects. That is what I tried to point out.

Mr. Martel: The Treasurer used to use a formula that \$1 million would create approximately 10 jobs. Apparently he has now thrown that out and is no longer using that formula. Can he tell me, for example, how many new jobs will be created by the \$4.3 million for the environmental projects? What kind of formula is the Treasurer going to use in the future to determine the number of jobs he expects for the commitment he is making?

Hon. F. S. Miller: One thing I learned in the employment development fund and board was that the cost to create a job in this province varies very greatly from industry to industry.

For example, I do not think the petrochemical industry would create, on average, one job for \$1 million of investment today. If we look at Polysar and so on, we will see some of them running to \$500 million in original costs and creating about 500 jobs; that is roughly one per \$1 million. The fact remains that in the tourist or hospitality industry, \$50,000 probably would create one job in Ontario in most cases.

I can only say to the honourable member that there is no fixed relationship between capital investment and jobs produced across industries, though there is within any particular sector.

Mr. Martel: I guess the minister is telling me that he has no handle on the number of jobs he is going to create. That is convenient.

EMPLOYEE HEALTH AND SAFETY

Mr. Martel: Mr. Speaker, I want to go to the Minister of Labour. The minister will recall that the Advisory Council on Occupational Health and Occupational Safety made the following statement in its second annual report: "Since four per cent of the work force may be exposed to 85 dB(A) during a work day, there may be an estimated 430,000 workers at risk at 85 decibels." That being the case, and although in 1978 and 1980 the minister gazetted the number of dB(A) per eight hours as 85, can he indicate to me why he has now regressed and is going to establish regulations that permit 90 dB(A) for an eight-hour shift? That is a real regression. If there are 430,000 people at risk at 85 dB(A), what are going to be the consequences for workers in Ontario?

Hon. Mr. Elgie: Mr. Speaker, I am sure that if the honourable member has read the advisory council memorandum, he will also recall that after reviewing the issue of noise levels with the assistance of a special task force, the council concluded, as I recall—I have not read it for some time—that the level should be set at 90 decibels and that there should be indication of movement towards lower levels.

In the regulation that has been proposed, we have endeavoured to accept that approach to things, and that matter is now being considered. But certainly, as the member knows, these matters are open for public discussion. We have endeavoured to have as much public input to all these decisions as we can possibly get. I assure him that the final recommendation will be reviewed by the advisory council again.

2:30 p.m.

Mr. Martel: It is my understanding that it is prepared to recommend 90. Is the minister not aware that in 1978 and 1980 he gazetted the following regulations for maximum durations in hours per day: 85 decibels for eight hours and 90 decibels for four hours? Why are we moving in the opposite direction? Is it because it might cost a few bucks to make the necessary modifications in plants and the government is prepared to sacrifice hearing loss to save a few bucks for some people who might have to invest a little money to make the necessary repairs?

Hon. Mr. Elgie: These are matters we can discuss in estimates with the people who reviewed it. Frankly, as the member knows, a number of issues related to noise were referred to the advisory council and it in turn appointed a task force to look into this.

From a variety of factors, such as what was achievable and what could be done within the time frame we are now seeing, I suppose it came to a conclusion that 90 was a reasonable figure for this stage of our capacity in this province. That was the fundamental premise it recommended to us.

As I say, I have not read the report for some time; however, I will be pleased to go over it in detail in estimates, with or without Dr. Mustard being present. This is not an issue on which I want the member to think there has been any subterfuge about. We had a task force look at it specifically.

Mr. Martel: The minister said some things are being done. He will recall that a year ago, almost to this date, I asked about Workmen's Compensation Board involvement in the Laurentian Hospital funding and the temporary program to deal with the more than 800 men who are suffering from industrial deafness in Sudbury.

The minister will also recall that he sent me a letter saying the Workmen's Compensation Board was involved in a rehabilitation program at Laurentian Hospital in conjunction with Laurentian University. I wrote to him and told him that was not factual. To date, in three letters to the minister, I have attempted to find out who fed him that line of information, because there is no program. The only program was a voluntary program by Laurentian Hospital which the WCB would not fund.

With 800 workers suffering industrial deafness in the Sudbury basin alone, can the minister tell me what programs for speech pathology and oral rehabilitation he is prepared to introduce now to assist those 800 workers in the Sudbury basin?

Hon. Mr. Elgie: I have not looked at this matter for some time, as I am sure the member knows, but to the best of my recollection, the WCB did meet extensively with Laurentian Hospital. I specifically met with them about this. They did agree on a fee-for-service basis to fund certain programs. That is the last information I have about it. If there is something wrong with that statement, I will be pleased to advise the member about it, but that is my last recollection of detailed discussions I had several months ago with the board on that issue.

EXTRA BILLING

Mr. Van Horne: Mr. Speaker, I have a question for the Minister of Health. One of the underlying principles of Ontario's health care system is that the physician is either in or out of

the system. If he or she is in, he or she is entitled to bill only at Ontario health insurance plan rates. Given that there are some services, such as phone calls and cancellation fees, for which the OHIP rate is zero, why is the minister allowing some doctors to charge above OHIP rates for services such as phone calls and yet remain opted in?

Hon. Mr. Timbrell: Mr. Speaker, since the beginnings of the health plan in Ontario in the 1960s, and I believe this is true in every other province, there have been certain things that are uninsured services, one being phone counselling. One of the reasons is that it is something we could never audit. Also, there are such things as the second and subsequent annual physicals. As the member knows, only one annual physical is a benefit and some physicians claim even that should not be a benefit.

Since the beginning of the health plan, physicians have been free to bill such things; there is a notation to that effect in the schedules, both the OHIP schedule of benefits and the OMA fee schedule, inside the front cover as I recall. It says they are free to bill patients directly because they are not covered by the health plan. I hope the member is not suggesting we should now start to cover some of those things, because the reasons for not including them are pretty obvious.

Mr. Van Horne: Given the Mississauga situation where some doctors are charging an annual fee of \$40 per family in lieu of the extra charges just mentioned, does the minister not realize this could result in substantial increases in doctors' incomes? For example, if a doctor had 1,000 families in his care at \$40 each, there is \$40,000 extra revenue.

Does the minister believe this practice should be allowed to continue? Further, when he is negotiating the annual increases for doctors, does he take this factor into consideration? If so, how can he do that and still allow this practice to continue?

Hon. Mr. Timbrell: Mr. Speaker, with respect to the annual negotiations for the OHIP fee schedule, which negotiations have already begun, for our part we do take the stance that—if the member will recall the Weiler report from last year, I think our position is spelled out there—total income has to be looked at rather than a straight fee schedule to fee schedule comparison, which from time to time is the position in the medical profession.

With respect, I think the member's assumptions may be a little shaky. First, in an area like Mississauga, which has a much lower ratio of physicians to population than even the already very low provincial ratios, it is highly unlikely that any physician would have an entire practice that would avail itself—or themselves—of this. What is more the fact there are so many physicians in the Mississauga area, particularly family physicians, offers alternatives to people who do not want to take part in that kind of a payment scheme. I repeat, it is for items which are not now, never have been and probably never will be covered by the health plan.

Mr. McClellan: Mr. Speaker, the OHIP fee-for-service payments have gone up something like 40 per cent in the last two years. Is the minister not aware that despite that, increasing numbers of doctors are charging their patients these so-called enrolment fees? Can he tell us how many doctors he is aware of are charging an enrolment fee, which is a form of payment in advance of service? Can he tell us whether he intends to amend the Health Disciplines Act to outlaw this practice?

Hon. Mr. Timbrell: Mr. Speaker, surely the honourable member is not suggesting any practitioner should not charge for those things that are not insured benefits? No practitioner—be it a medical practitioner, a dental practitioner, lawyer, whomever—should work for nothing. But that would be the net effect of what he is suggesting. We have no way of knowing—

Mr. Smith: They are either in or opted out, one or the other.

Hon. Mr. Timbrell: That is right, but if it is not an insured service surely they are entitled to payment for their professional time?

Mr. Smith: The rate is zero if it is not insured.

Mr. Speaker: Order. The member for Bellwoods asked the question, Mr. Minister.

Hon. Mr. Timbrell: We have no way of tabulating which physicians would be doing that. What is more, thousands of general practitioners would probably be doing it on a selective basis. I repeat, they are not insured services. We are talking about time that physicians devote on request to their patients for which they should be compensated directly.

UREA FORMALDEHYDE FOAM INSULATION

Mr. Swart: My question, Mr. Speaker, is also to the Minister of Health. The minister has attempted repeatedly to minimize the serious-

ness and the numbers of people who are suffering severe health symptoms because of urea formaldehyde foam insulation. In my question on November 19 when I suggested that 10 to 20 per cent of the people with UFFI were suffering symptoms he said, "No, it is nowhere near that."

Is he now aware that his own report to the federal board of review—which I had some difficulty in getting—and his own survey show that residents in 40 per cent of the UFFI homes reported health symptoms because of the urea formaldehyde foam? I am asking him now what follow-up he is going to do this winter with regard to monitoring health conditions, particularly of those with health symptoms? As Minister of Health with responsibility for that, what is he going to do to alleviate those health problems?

2:40 p.m.

Hon. Mr. Timbrell: First of all, if the honourable member will recall the material I sent him, from which I take it he is selectively quoting, and if he recalls the background information on this substance—and if he takes, too, the rough guideline the federal people laid down, and it is very rough because they do not know whether it is too high or too low or whatever—in fact the member may be right, give or take a percentage point, that 40 per cent of them are reporting some symptoms. But that is not to say they are caused by UFFI, that is not to say that at all.

If the member will check the background carefully he will find some cases where people report symptoms where there are virtually no traces whatsoever of the substance. Given the way the member has handled the issue that is not surprising.

If the member will again check through the material I sent him, he will see a rather detailed health questionnaire which has been conducted with every—

Mr. Swart: I read it.

Hon. Mr. Timbrell: The member doesn't always read everything.

Mr. Swart: Have you?

Hon. Mr. Timbrell: Yes, thank you.

There was a rather detailed questionnaire carried out in each of the households we tested which was given back to them with the test results. The questionnaires say, "Go to your family physician if you have symptoms or think you have any particular problem." The follow-up is done through the individual physicians with those patients in trying to correlate this.

Please recognize that with this substance there are many more questions unanswered than have been answered and we are finding out more and more about it all the time. As we learn about it we are passing it on to the medical community.

Mr. Swart: By way of supplementary, how does the minister feel that going to their own physician will provide the necessary answer if they can't afford to move out of their homes and can't afford to take the urea formaldehyde foam insulation out? What would the minister's answer be to this letter addressed to me, which I just recently received from Mrs. R. A. Smart, 3 Athlone Place, St. Catharines, Ontario:

"Dear Sir: I had my house insulated with urea formaldehyde in 1979. In the last year I have come down with sore eyes, headaches, pain in my chest, nausea and want to sleep all the time. I am too tired to do my housework. My daughter comes to visit me and in half an hour she has bad headaches and nausea. My grandchildren are the same so they will not come to visit. If I could move out I would, but I cannot afford it as I am on pension and I can't keep two houses. I hope you can help me."

What advice would the minister give to that woman, and thousands like her in this province?

Hon. Mr. Timbrell: Mr. Speaker, I repeat that I would refer any individual to his or her family physician to be sure the symptoms are not being caused by something else. If in the opinion of the family physician there is a cause-and-effect relationship, then I would say to listen to the family physician's instructions or advice as to whatever is appropriate. Finally, I think it behooves us to continue putting the pressure on the federal administration, which approved this substance in the first place. Then where it can be shown that retrofit of some kind is called for that government should fund a low-interest or no-interest loan program to help those people.

Mr. Van Horne: When this issue was debated a week or so back, we got the distinct impression from the minister that all the provincial government was prepared to offer was a form of welfare. He is not telling us anything different today, and I want to know what long-range plans he has. Welfare of itself is not adequate for those people who will have to relocate.

Hon. Mr. Timbrell: I think the ultimate answer still lies in getting a proper retrofit program, which the federal Minister of Consumer and Corporate Affairs has several times indicated he is working on. This would assist in

those cases where it can be proven there is a cause-and-effect relationship and that it is having an effect on allergies and respiratory conditions, basically those kinds of health problems.

Mr. Speaker: The Minister of Labour (Mr. Elgie) has the answer to a previously asked question.

HANDICAPPED WORKERS' WAGES

Hon. Mr. Elgie: Mr. Speaker, on November 20, the member for Bellwoods (Mr. McClellan) indicated he had information that ARC Industries of Brantford was contracting out handicapped employees in its sheltered workshops to private employers and receiving the minimum wage for this work while paying its employees 50 cents an hour.

As the member knows, the issue of wage permits has been the subject of study. He will have received a copy of the report by Abt Associates on handicapped wage permits. In keeping with the conclusions and recommendations of that report, an interministerial task force, composed of representatives of the Ministry of Community and Social Services and the Ministry of Labour, has been established to identify practical solutions to the very complex issue of the payment of handicapped people in sheltered workshops. I expect to receive its report early next year.

In the meantime I have asked the director of employment standards, who is a member of that task force, to investigate the situation the member has brought to my attention in Brantford and report back to me.

Mr. McClellan: Mr. Speaker, may I have one brief supplementary with respect to that answer. While Mr. Scott investigates the case I brought to the minister's attention last week, would he also look into Mississauga ARC Industries? I am advised it is engaged in the same practice of contracting out its jobs to private employers but is paying its workers who are on government programs less than the minimum wage, paying so-called wages in the order of 50 cents an hour.

Hon. Mr. Elgie: Mr. Speaker, I will be pleased to ask the director to investigate that allegation as well.

IRWIN TOY DISPUTE

Hon. Mr. Elgie: Mr. Speaker, last week in my absence the member for Hamilton East (Mr. Mackenzie) asked a question of the Premier

(Mr. Davis) related to Irwin Toy and the prolonged strike that has been taking place there.

I do not want to go into great detail about the course of negotiations. I am sure the member and the House are well aware a disputes advisory committee consisting of Mr. Terry Meagher and Mr. Bob Joyce was appointed in September to see if they could facilitate a settlement of that issue.

I met with Mr. Joyce and Mr. Meagher independently last week and have been advised that, although the trade union bargaining agent on behalf of the employees would accept a recommendation from the committee, the employer is not prepared to do so, at least at this time. Mr. Joyce and Mr. Meagher indicate they intend to keep in touch with the parties to see if there can be any change in those positions.

The member also asked the Premier about the viability of the concept of first contract compulsory arbitration in this province. We have discussed that at some length in committee and in the House in the past. I am sure the member knows that, for example, in British Columbia where that law is in force, few of those imposed first contracts become renewed second contracts. I think that is good evidence that agreements reached between parties bargaining in good faith tend usually to be agreements that go on to good relationships.

It is my belief that in this province we now have a situation where the Ontario Labour Relations Board has shown it can fashion remedies in situations where there is evidence of bad faith. I understand the union has a complaint before the board with regard to bargaining in bad faith which it has not yet reinstituted, but which it can. It is my view the remedies available in this province through the labour relations board are very superior.

Mr. Mackenzie: A supplementary question, Mr. Speaker: Does the minister not realize what we have here is a demise of the basic right of collective bargaining? The company has simply said, "We do not intend to have a union in that plant, period." What does the preamble to the Labour Relations Act, which guarantees workers these rights, mean to the minister?

Hon. Mr. Elgie: Mr. Speaker, I presume the member believes, as I do, in collective bargaining. In this case the issue in dispute is one of wages. There was an allegation at one time of bad faith bargaining which was adjourned sine die. The union has indicated publicly it intends to revive that complaint of bargaining in bad

faith. In situations where the board has found evidence of bargaining in bad faith, it has indeed fashioned a remedy which I think the member will agree has been adequate.

Ms. Copps: A supplementary question, Mr. Speaker: Does the minister feel 10 cents an hour is an unreasonable negotiated settlement for these workers?

2:50 p.m.

Hon. Mr. Elgie: Mr. Speaker, since I am not running for the leadership, and I do not have somebody beside me applauding so hard I can hardly hear the member's question, I do not have to get into that.

It has been my habit as minister—and I trust the member will behave the same way—not to comment on the validity of offers or rejections of offers made by either side.

NIAGARA RIVER POLLUTION

Mr. Kerrio: Mr. Speaker, I have a question for the Minister of the Environment relating to SCA Chemical Waste Services asking for some modification to the state pollution discharge elimination system permit to relax some of the regulations in the dumping of so-called "treated toxics" into the lower Niagara River.

I wonder if the minister recalls his statement of Thursday, November 26, when he stated: "First, since the SCA request has proceeded to the hearing stage, I have decided that Ontario will intervene on December 1 to voice our concerns. Ontario cannot support a relaxation in these standards; so the ministry will be present to voice its position at the initial hearings."

While the minister made that suggestion in his statement, he told a member of my staff he was not certain whether he would have legal and technical staff at the full hearings to argue against a relaxation of specific parameters. He gave the impression to the press that he has finally become serious about the Niagara problem. How can he claim to be serious if he will not go beyond making an opening statement to this US hearing?

I wonder if the minister will commit himself to fighting every step of the way through the hearings? Does he realize his December 1 statement alone, without legal action, will lack any credibility, and instead of making a giant step forward he has only started to move in the right direction?

Hon. Mr. Norton: Mr. Speaker, I am glad the honourable member at least acknowledged he

got his information from me through a conversation I had with a researcher from that caucus. I am very open with his party's researchers too, as the member is well aware. I would have thought he might have explained it a little more fully in reference to our conversation.

It is correct, as I understand it, that the hearings will be held in two stages, the first beginning on December 1, where the statements and arguments will be of a general nature. The hearings to commence on December 15 will deal with 30 specific parameters that are under review and for which, I think in all cases, modifications are being sought.

In the discussion I had with the researcher—I have referred to the same individual as a minion of someone else in the member's caucus on another occasion—I attempted to explain to him the reason for that decision at this time. The concern we will be expressing basically will be based upon the conviction that any additional loading in the Niagara River is unacceptable. We will be presenting those arguments on December 1.

There is some difficulty in arguing in isolation on the 30 specific parameters. I am not prepared to put our credibility in a situation where, given the limitations of the forum on December 15, we might not be able to argue convincingly on those specific parameters in isolation from the overall question of the loading of the river.

For example, in one parameter I can think of, they are proposing what would constitute a 150 per cent increase in the allowable level. It is going up to an amount that is still small but it amounts to a 150 per cent increase. It would be very difficult on technical grounds to argue that this isolated increase is in itself going to be a hazard to the river. What it is possible to argue—and we will argue it on December 1—is that any increased loadings, where the decisions may be made in isolation from the overall question of the present loadings to the river, are unacceptable.

The member may or may not accept that position, but I think strategically it is a wise decision we have made. I have also indicated we will be looking at all the other permits coming up for review between now and, I believe, next July. There may be as many as 30 major ones. We are setting up a team to devote its whole attention to the Niagara River, that will collect all the available technical information it can get on the loadings to the river. On the basis of this technical information, we will proceed at those

hearings to argue there should be no relaxation, that in fact the permits ought to be tightened up and the standards ought to be made stiffer.

Mr. Kerrio: Supplementary, Mr. Speaker: I am sure the minister will agree that attitude is going to be extremely important in making our case. Highlighting a concern I have, on March 9, in an article in the St. Catharines Standard, there was this report:

"Mr. Robert Sugarman, the former United States chairman of the International Joint Commission, reflected on his experiences regarding the Niagara River. He said, 'Unfortunately, some government officials who sit on the government's water quality board, particularly officials on the Canadian side, were concerned that the situation not be overstressed as a serious problem.' Asked to name Canadian officials who fall into this category, Mr. Sugarman named Bill Steggles, research adviser for the Ontario environmental minister, as one of them."

Since Mr. Steggles is the senior official in the environment ministry responsible for the water quality in the Great Lakes, including the Niagara River, would the minister's reluctance to intervene legally in the hearings have something to do with his attitude? I wonder if the minister may not talk to him again and decide we have a battle to be fought here, and we are going to have to do it with diligence, perseverance and some real intestinal fortitude?

Hon. Mr. Norton: Mr. Speaker, I want to make it clear— if the honourable member listened and understood what I just said— I did not say I was reluctant to intervene. We are intervening—

Mr. Smith: Legally?

Hon. Mr. Norton: Legally. But the point is that if the honourable member reads Hansard, I think my answer was reasonably clear as to why we have decided not to intervene formally on December 15.

In answer to the second specific question, I can assure the honourable member that Mr. Steggles has not expressed to me any dissatisfaction with the decision I have taken. If he has reservations, as an individual, with respect to the course of action I have embarked upon, and which I have directed the ministry to embark upon, then he has not expressed that. In fact, it is my understanding he is supportive of the policy decision I have taken.

FREEDOM OF INFORMATION

Mr. MacDonald: Mr. Speaker, I have a question of the Minister without Portfolio in charge of freedom of information. Last night, speaking to an audience in Belleville, the minister indicated he had personally come to the conclusion, and was going to recommend to government, that in the forthcoming freedom of information bill he is shaping, the appeals procedure will finally be circuited back in and the final decision rest with the cabinet.

He went as far as to say the specific review structure he favours depends heavily upon the principles and practices espoused by Dr. Williams, the head of the commission that investigated this issue for four or five years. Since Dr. Williams' report established a two-tier review procedure, which would be an absolutely independent buffer between the applicant and the government, how can the minister engage in such a gross distortion of what the Williams commission recommended—indeed, a blatant misrepresentation of what it recommended—when he is speaking today to audiences across the province?

Hon. Mr. Sterling: Mr. Speaker, I think the member for York South is perhaps misreading that paragraph. In fact, in the actual speech I reconstructed that part because I found it confusing as well.

Mr. Stokes: You were not happy either.

Hon. Mr. Sterling: I was not happy with the way the paragraph indicated my intention, so I wanted to clarify it to the group that was there. I think it says the review structure I favour depends on some of the principles and practices espoused by Dr. Williams. That is, there is an independent review process in the model I put forward, a model which employs an information commissioner and has some independent review of requests for information from a minister. The next sentence refers to the fact that I support the maintenance of the tradition of ministerial accountability.

3 p.m.

I did not try to paint Dr. Williams as supporting that part of the principle, and I might add he does not. I disagree with him.

Mr. MacDonald: Mr. Speaker, it is interesting to hear the minister interpret his own speeches, which he finds a little bit confusing. He should write his own speeches and not have somebody else do it. Then he will not have to interpret them.

Mr. Speaker: Question.

Mr. MacDonald: The minister has come to his own conclusions on what the review procedure will be and it will ultimately get back to a cabinet making the decision, in violation of all independent review procedures. How can he justify coming to that conclusion and speaking across the province about it when he has set up a task force as a substitute for the study he promised in June and did not deliver this fall, a task force that presumably is going to report in the middle of December? Is he coming to his own conclusions before the task force has reported? What sort of charade is it if that is the case?

Hon. Mr. Sterling: Mr. Speaker, if the member read the press releases I issued when I set up this task force, I said it was not a study group; it was a group to put forward the legislation as I thought it should be. That, of course, is my prerogative as a minister of the government.

Mr. Smith: Supplementary, Mr. Speaker: Would the minister explain why he has decided that in the last instance in any sensitive matter we are now to be left with a decision of the cabinet just as we were in Re-Mor, in Suncor, in Argosy and in Co-op? Can he explain why that is his idea of freedom of information?

The reason he gives in his speech seems to be that he feels that whereas a minister is responsive to public concern and criticism "the same principle does not hold true for a court, which may decide unwisely or in a manner which is inconsistent to the public good." He goes on to say he thinks the courts have power in the American system of checks and balances, but here Parliament ought to be utterly supreme because it is ultimately elected and responsible to the people.

How does this hold with a government that has gone whole hog in favour of an entrenched charter of rights? Does the minister not realize that Sterling Lyon argued exactly that the Parliament must be supreme over and above the courts? That is the argument he made, and yet the minister's government said we should have an entrenched charter of rights over and above the Parliament.

If the minister is in favour of an entrenched charter of rights and is willing to trust the courts with those important matters, why does he insist that only cabinet ministers are sacrosanct enough to deal with freedom of information?

Hon. Mr. Sterling: Mr. Speaker, the number and type of different decisions that might be made under a piece of legislation like this would

be significantly different from the kinds of issues that would be decided under a charter of rights. A charter of rights would basically determine the rights as between two litigants in a court situation or between the state and an individual, but in this case it is impossible to sever the fact from the policy part of a particular decision.

It is my feeling, and some of the other jurisdictions have also felt, that you just cannot put the court in the position of deciding what is policy and what is fact or what is to be decided under the law. Nor does the court take kindly to receiving this kind of jurisdiction. My feeling is that the government should place itself in a position of being more accountable through the legislation, so that we would be in a position of being embarrassed if the information commissioner or the Ombudsman said we should disclose information and the cabinet decided that it should not.

That fact should be made public in terms of a report and then they can call us to task on it through that particular method and that would make the system more accountable than it now is.

REPORT

STANDING COMMITTEE ON ADMINISTRATION OF JUSTICE

Mr. Williams from the standing committee on administration of justice presented the following report and moved its adoption:

Your committee begs to report the following bill without amendment:

Bill Pr40, An Act respecting Tordom Corporation.

Report adopted.

MOTIONS

ESTIMATES

Hon. Mr. Wells moved that the estimates of the Provincial Secretariat for Resources Development, now referred to the standing committee on regulations and other statutory instruments, be transferred to the standing committee on resources development to be taken last in sequence; and that the estimates of the Ministry of Transportation and Communications, now referred to the standing committee on general government, be transferred to the standing committee on regulations and other statutory instruments.

Motion agreed to.

COMMITTEE SITTINGS

Hon. Mr. Wells moved that the standing committee on regulations and other statutory instruments be authorized to sit Monday evenings, Thursday mornings and Thursday evenings to consider estimates referred to the committee.

Motion agreed to.

SUPPLEMENTARY ESTIMATES

Hon. Mr. Wells moved that the supplementary estimates tabled today be referred to the committee of supply.

Motion agreed to.

STANDING COMMITTEE ON
ADMINISTRATION OF JUSTICE

Hon. Mr. Wells moved that the standing committee on administration of justice be authorized to travel on Wednesday December 16, 1981, to Mimico Correctional Centre in Etobicoke and Stanford House in Toronto.

Motion agreed to.

INTRODUCTION OF BILLS

MUNICIPAL AMENDMENT ACT

Hon. Mr. Bennett, seconded by Hon. Mr. Gregory, moved first reading of Bill 179, An Act to amend the Municipal Act.

Motion agreed to.

REGIONAL MUNICIPALITIES
AMENDMENT ACT

Hon. Mr. Bennett, seconded by Mr. Gregory, moved first reading of Bill 180, An Act to amend certain acts respecting Regional Municipalities.

Motion agreed to.

3:10 p.m.

COUNTY OF OXFORD AMENDMENT ACT

Hon. Mr. Bennett moved, seconded by Hon. Mr. Gregory, first reading of Bill 181, An Act to amend the County of Oxford Act.

Motion agreed to.

WALTHAM CREATIVE PRINTING
LIMITED ACT

Mr. Mitchell moved, seconded by Mr. MacQuarrie, first reading of Bill Pr26, An Act to revive Waltham Creative Printing Limited.

Motion agreed to.

BUSINESS OF THE HOUSE

Hon. Mr. Wells: Mr. Speaker, before the orders of the day, I thought I should announce to the House that it has been agreed to by all the House leaders that the votes on consideration of Bill 7 in committee of the whole, which will begin tonight at eight o'clock, will be stacked until 10:15 tomorrow evening.

ANSWERS TO QUESTIONS ON
NOTICE PAPER

Hon. Mr. Wells: Mr. Speaker, I wish to table the answers to questions 239 and 249 standing on the Notice Paper. (See Hansard for Friday, December 4.)

ORDERS OF THE DAY

House in committee of supply.

ESTIMATES, MINISTRY OF
INTERGOVERNMENTAL AFFAIRS

Hon. Mr. Wells: Mr. Chairman, first of all I might indicate we are having distributed a revised sheet which indicates the Ministry of Intergovernmental Affairs estimates as revised by motion of this House a short time ago.

In other words, the original estimates that were presented when the Chairman of Management Board of Cabinet (Mr. McCague) presented the estimate books earlier in the session had the municipal affairs section still in the Ministry of Intergovernmental Affairs. They were transferred to Municipal Affairs and Housing and this is the revised estimates which we are considering at this particular time.

This estimates debate marks for me two important occasions. First, it gives me a chance to focus on the more exclusive integrated function of the reorganized Ministry of Intergovernmental Affairs. Second, it provides an opportunity for me to make a progress report on our French-language programs in my new role as minister responsible for French-language services.

Mr. Chairman: Order, please. First of all, do all members concerned have copies of the opening statement? No, neither do I. Is it possible to get a copy so we could read along with the choice words of wisdom?

Mr. Stokes: Sort of fades into insignificance in the light of former responses of this government.

Hon. Mr. Wells: Oh, not really. Where are the copies?

Mr. Nixon: Even the staff has left.

Hon. Mr. Wells: No, they will be here in just a few minutes.

Mr. Chairman: We have agreement, then, that in the fullness of time, which will be shorter than longer, we will get copies of the opening statement. Someone knows back in the lobby, do they?

Hon. Mr. Wells: Oh, yes. There are hundreds of copies.

Mr. Nixon: Is it true this is an 80-page speech?

Hon. Mr. Wells: No. They will be here in a minute, Mr. Chairman. I am sorry.

Mr. Chairman: All right. You started off wonderfully and I have interrupted. I feel so bad about this. I just want to bring to the attention of the Solicitor General and Attorney General (Mr. McMurtry) and the Minister of Industry and Tourism (Mr. Grossman), it is distracting for us to listen to the minister who is bringing forward his opening statement—

Hon. Mr. Grossman: He is speaking in Oshawa tonight; he should watch it.

Mr. Chairman: Carrying on.

Hon. Mr. Wells: There will be a number of copies available in a few minutes. Maybe I can get over the opening pages.

Mr. Chairman: Fine.

Hon. Mr. Wells: The real meat of the speech is when I get into it a little further.

Mr. Nixon: But there are 35 pages, Mr. Chairman. You are not going to allow anybody to read a speech?

Hon. Mr. Wells: My friend, I am not going to read the speech. I am just going to glance at it occasionally.

Members will recall, Mr. Chairman, that last July the responsibility for relations with municipalities was transferred from me to my colleague who became Minister of Municipal Affairs and Housing (Mr. Bennett) at that time. That was done in keeping with a pledge made in the speech from the throne last April.

On May 1, the Premier (Mr. Davis) explained how he intended to honour that pledge and he said, "By putting together at this time, under a single minister, the important programs of municipal affairs, community planning and community development, we increase our capacity to work with municipalities to achieve our mutual objectives."

"One great advantage of this arrangement is that the Ministry of Intergovernmental Affairs will now be able to focus its attention on Ontario's relations with other governments, particularly within Canada. It is clear that the scope and intensity of intergovernmental issues

on the immediate horizon will make this area a matter of the highest priority for the government."

Before I go on, I would like to say a few words in appreciation of the work done by my former parliamentary assistant, the member for Wilson Heights (Mr. Rotenberg). He is continuing to ably discharge similar duties for the Minister of Municipal Affairs and Housing.

While with me, the member performed a difficult and demanding job with great dedication. His understanding of municipal politics was a constant source of help to me and I would like to thank him publicly for his assistance.

I would also like at this time to express my sincere appreciation to Eric Fleming, the Assistant Deputy Minister of Municipal Affairs, and to all his staff for the wonderful working relationships we enjoyed during my time as the minister responsible for municipal affairs within the Ministry of Intergovernmental Affairs.

Mr. Fleming, along with Mr. Gardiner Church, the executive director of the municipal operations division and all the directors, managers and other personnel performed a difficult task with great professionalism. I am pleased to have been associated with them.

The total 1981-82 budget for the Ministry of Intergovernmental Affairs is \$4,323,500. Over the course of this debate we shall be seeking the approval of the House for \$3,271,000 of this total. The difference is accounted for by \$1,024,800 which was secured by special warrants and \$27,500 of statutory appropriations.

Because of the ministry's relatively small size and limited staff, our organizational chart is quite simple and very straightforward. All branches within the ministry report directly to the deputy minister on their day-to-day operations. This allows all our senior managers to stay in touch and be directly involved in all aspects of our work.

3:20 p.m.

As members know, I have a new parliamentary assistant, the member for Mississauga South (Mr. Kennedy). His vast experience in Canadian political life and his interest in all matters related to the area of intergovernmental affairs make him a very useful addition to this ministry.

In our new organization, Don Stevenson, of course, remains as Deputy Minister of Intergovernmental Affairs. Don has vast experience in this field and his dedication to his job is of the highest order. Don also supports me in my role as minister responsible for French-language

services. As the government's co-ordinator in this area, he brings to bear both credibility and enthusiasm.

In addition to the staff in the co-ordinator's office, I now also have the benefit of the advice of the Council for Franco-Ontarian Affairs. As part of our reorganization, responsibility for this council was transferred from the Ministry of Culture and Recreation. I would like to express my pleasure at the appointment of Monsieur Roger Regimbal as chairman of the council. He has already played an important role in the life of this country and this province and I look forward to a long and fruitful association with him.

On the intergovernmental affairs side, many members of this House are aware of the senior staff who are responsible for advising me on Ontario's relations with other jurisdictions both in Canada and abroad. Ed Greathed, formerly executive director of the office of intergovernmental affairs, has taken on special responsibilities as senior adviser to the deputy minister. These responsibilities include bringing an intergovernmental perspective to bear on the economic and fiscal issues that are now such an important item on Canada's federal-provincial agenda.

Gary Posen heads the federal-provincial and interprovincial affairs secretariat responsible for advising on such matters as constitutional reform, relations with other provinces and the intergovernmental implications of policy and program initiatives across the full range of our government activities.

John Carson is in charge of the external activities co-ordination secretariat. He and his staff focus on such matters as the advancement of Ontario's interests abroad within the framework of Canadian foreign policy, the co-ordination of national and Ontario policies as they relate to foreign affairs, and the administration of the international disaster relief fund. In pursuing these activities, the branch works closely with the federal Department of External Affairs.

The office of protocol, under Walter Borosa, is responsible for promoting Ontario's interest in services to people rather than strictly in policy terms. In this regard, the office is our point of contact with foreign consulates and trade missions located in Ontario and the administrative focus for receiving a broad range of important visitors to this province.

Two other units provide a service function to the ministry as a whole. The planning and

management group, headed by Sam Clasky, offers administrative support and overall co-ordination with Management Board and the other agencies of the cabinet and government. Information services, under Denis Massicotte, handles public requests for information and relations with the media. In the past year, it has concentrated on promoting Ontario's views beyond the province and publicizing the government's French-language services program.

Mr. Nixon: Who writes the speeches?

Hon. Mr. Wells: I write them myself.

In sum, this organization is lean, straightforward and well suited to the new focus of the Ministry of Intergovernmental Affairs.

Why has this more exclusive focus become necessary for the ministry and for Ontario at this point in our history? Throughout the 1970s, co-operative federalism was the dominant but by no means exclusive characteristic of this country's federal-provincial relations. The deconditionalizing of the major shared cost programs under the established programs financing agreement, federal-provincial co-operation to combat inflation, joint exercises to disentangle federal and provincial activities and prolonged discussion on constitutional reform were all examples of this approach. In contrast to the preceding decade, the federal government showed greater respect for provincial jurisdictions and provinces were able to pursue their responsibilities more effectively.

However, in 1980-81 this trend began to be reversed. The federal government became increasingly concerned about the decentralist direction in which Canada seemed to be headed. It was frustrated by its inability to promote equal opportunities in all parts of the country. It was alarmed by the heightened regional consciousness which had developed.

In Quebec, the Parti Québécois had been elected in 1976. Late in 1979, with the publication of its white paper on sovereignty-association, it began actively to pursue its independence objective. In the west, the windfall revenues from steeply increased energy prices were contributing to a growing disparity in interprovincial fiscal capacities. As individual provinces pursued their own economic interests, new barriers were erected in this country to the mobility of goods, services, labour and capital.

Moreover, at the end of the decade, as the federal government became increasingly preoccupied with regionally contentious issues such as energy, Quebec separatism and constitutional reform, its attention was deflected from

national leadership on economic problems, such as inflation, unemployment, interest rates and slow economic growth.

As a result, in the fall of 1980, the federal government decided to secure and broaden its role in the face of these strong regional, economic and cultural pressures. It determined that it would reassert the national interest. As federal ministers have expressed it, this role takes the form of decisive action by the federal government to assert its influence forcefully, aggressively and, if necessary, unilaterally.

The provinces have thus generally found themselves faced with a federal government less concerned about clear definitions of powers and less concerned about respecting provincial jurisdiction. Parliament, rather than federal-provincial conferences, is claimed to be the means for defining and determining the national interest.

In the past year, this approach was reflected in three major federal-provincial issues:

1. After extended deadlock with Alberta over energy pricing and revenue sharing, the federal government introduced the national energy program designed to give it access to energy revenues through a new unilateral scheme to tax provincial resources directly.

2. As a response to the size and growth of its deficit, the federal government has decided to terminate or severely constrain funding in shared cost programs and to reintroduce controls and ceilings in the areas of unconditional financing covered by the 1977 established programs financing agreement.

3. The federal government decided to proceed with a limited package of constitutional reforms in the wake of intergovernmental deadlock, in spite of the active opposition of eight provinces. I will have more to say about this later in my remarks.

These federal initiatives in energy, fiscal and constitutional matters now show signs of being extended to other programs. Based on evidence with regard to regional development, pensions, bilingualism grants, manpower, energy conservation and emergency planning, the federal government intends to set the priorities in these areas.

As well, the federal government is demanding the right to set the goals and objectives of nationally funded programs that the provinces have recently executed with increasing independence. Federal ministers have stated three general objectives: visibility, high-profile federal expenditures directly impacting on the

public; credibility, federal programs consonant with federal priorities; and accountability, measurable, immediate results of a program's efficient performance.

3:30 p.m.

These developments have posed a serious challenge to Ontario's implicit objective in intergovernmental relations to balance the contending forces of province building and nation building. As a result, we have been drawn into both supporting and challenging the various centralizing and decentralizing influences.

On some matters, such as the constitutional resolution and energy pricing and revenue sharing, Ontario has backed the federal position. On others, such as the threatened federal cutbacks in health care and post-secondary financing, Ontario has opposed the federal government's position.

These differing positions are not contradictory. Rather, they are fully consistent with our historical concern for finding the appropriate balance in this province between federal and provincial powers in Confederation.

Unlike some other provinces whose strategies increasingly have tended towards a single objective such as sovereignty-association, rejection of federal leadership or maximum control over provincial resources, Ontario's intergovernmental approach has been more complex and multifaceted.

The interests of this province require both a strong and active federal government and co-operation among the provincial governments. Yet, over the past two years, such federal activism has too often tended to be unilateral and too much of the interprovincial collaboration has tended to detract from a cohesive federalism.

We thus find ourselves facing a paradox. There is a tide in the economics of Confederation that requires greater intergovernmental co-operation, yet a fragmentation in politics that finds provinces frequently unable to agree with one another or with the federal government.

In the past, it is fair to say the intergovernmental relations of most provinces formed no identifiable pattern. They consisted of discrete functional interests and agreements. At any one time, certain issues would suffer from conflict among governments, while others would be handled harmoniously. What is dramatically different today is the much greater integration that many governments have imposed on their various positions on intergovernmental issues.

The overall effect of this trend has been to narrow the scope for compromise and to link agreement in one area with concessions in others. The consequence is that program ministries find issues beyond those of their functional responsibility now tending to impede the achievement of solutions in their particular areas. An example that could be cited is the communications area.

The need to understand and anticipate the overall direction in Confederation is, I believe, now more important than ever before. The relationship of functional issues to these directions will have to be increasingly considered. Moreover, in the face of more aggressive activity by other provinces to further their own interests both in Canada and abroad, and the shifting economic strength among Canadian regions, Ontario will have to undertake a more active role to ensure that its needs, views and objectives are understood and more forcefully promoted.

It is for this reason that the Ministry of Intergovernmental Affairs has been given a new mandate and a new focus. It is our job to ensure that the whole government and all its ministries are aware of the changing trends in Confederation and that ministries understand the relationships between their functional concerns and these broader trends. To this end, we report to cabinet regularly on these issues. It is also our responsibility to ensure that governments and opinion leaders in Canada and abroad are fully cognizant of our policies and concerns.

Having explained the background to the reorganization of the ministry, I would like to describe briefly some of the major activities that we have been involved in over the past year.

Debate on the substance and process of constitutional reform has, of course, dominated the federal-provincial scene for some 18 months. I am certain all members of the House are heartened by the agreement that was reached among the Prime Minister and nine Premiers during the first week of November. It is my expectation that the formal resolution which is based on that agreement will be approved by Parliament before the end of this very week and will then be quickly on its way to the United Kingdom.

Federal-provincial consensus on this matter was achieved even though the underlying tensions in Confederation actually militated against it. What made agreement possible, in my view, was the combined effect of a series of factors that emerged during the year-long drama. What

is remarkable is that many of these factors and the outcome itself would have been impossible to predict a year ago.

The drama began with the failure of the first ministers' conference to reach any consensus on reform in September 1980, only four months after the Quebec referendum in a summer of unprecedented intense discussions by ministers and officials from both the federal and provincial governments. This was the third occasion in a decade when success on constitutional issues had eluded Canada's first ministers, and it marked a total of 54 years of frustrated efforts.

In spite of the deadlock the federal government decided to introduce a resolution on constitutional reform in Parliament in October 1980. That resolution provided for patriation, an amending formula, a charter of rights, a commitment to the reduction of regional disparity and to the provision of equalization, and clarification of provincial ownership and jurisdiction over nonrenewable natural resources. It was considered clause by clause in public hearings involving hundreds of Canadians over a three-month period by a joint committee of the House of Commons and the Senate. As a result it was significantly amended.

Throughout this period Ontario and New Brunswick were the only provinces to support this resolution. In response the other eight provinces met on numerous occasions in the early months of 1981, and in April they announced agreement on an alternative constitutional reform proposal consisting of only patriation and what is called the Vancouver amending formula, so named in spite of the fact that it had originally been put forward by the province of Alberta. This agreement came to be known as the group of eight accord. After a strong and concerted fight on the part of the Progressive Conservatives in the House of Commons the federal government decided to wait for a Supreme Court decision before bringing the resolution to a final vote.

On September 28 the Supreme Court of Canada declared that action by the federal government to forward its constitutional resolution to the United Kingdom Parliament would be legal but that traditional constitutional practices or convention in Canada required that such action be undertaken with the approval of a significant number of provinces. The most important aspect of this ruling was, I believe, that it determined for the first time unanimous consent by the provinces was not necessary.

After the Supreme Court decision an attitude

of concern developed in the United Kingdom. Even among members of the Commons and the Lords sympathetic to the federal resolution a number began to believe they were being asked to make choices with regard to constitutional reform that more properly, in their view, should be made in Canada. Public opinion polls reported consistently that a strong majority of Canadians across the country favoured the protection of their basic rights and freedoms in the constitution.

The most recent introduction of this attitude was contained in a poll published by the Canada West Foundation in the latter part of October. This poll showed, for example, that more than 80 per cent of western Canadians favoured a charter of rights in spite of the opposition of their provincial governments.

A deep feeling developed in those weeks in many parts of Canada, including Ontario, that the constitutional confrontation had to be settled by means of compromise for the good of Canada. What was required now was a compromise package that could be broadly supported by most governments around the table.

All of these factors were necessary, I believe, to set the stage for the final successful outcome, and all of these factors provided a background to what happened at that final successful meeting. We might or might not have had constitutional reform in the absence of agreement, but the intergovernmental atmosphere or the relations between the governments of Canada would probably have been filled with rancour and bitterness if we had not. What was achieved was a compromise, a good Canadian compromise, but compromises are never perfect.

3:40 p.m.

For Ontario, the price of consensus was the acceptance of an amending formula which was not our first choice, and a charter of rights which in some of its provisions could be overridden by Parliament and provincial Legislatures.

I want to remind members that the Ontario government argued in favour of a charter of rights with no legislative override during all the time we supported the federal package. The inclusion of the notwithstanding provision to allow such an override was accepted by us only to achieve federal-provincial consensus. However, as the Premier stated after the conference, this government has no intention of making use of this provision.

It was our understanding of the federal-

provincial agreement that no changes were to be made to section 28 on male-female equality. We were pleased this understanding was finally confirmed a week or so later as a result of intensive post-conference discussion. We are equally pleased by the decision to restore the aboriginal rights section to the resolution.

Mr. Nixon: Was not one word added to that?

Hon. Mr. Wells: Yes, one word was added: "existing." Right.

For our Premier, this agreement was the fulfilment of a personal dream that went back to the initial first ministers' conference he attended as Premier, in Victoria in June 1971. Ten years and countless meetings later he had the intense satisfaction of playing a crucial role in finding an acceptable compromise.

The Attorney General (Mr. McMurtry) and I and all our officials, both those with us in Ottawa and those in Queen's Park, shared in the Premier's satisfaction. For all of us it was the culmination of many years of concerted effort and hard work. The achievement of a consensus was of paramount importance. I believe it was necessary as a means of restoring the confidence of Canadians in our political institutions and of removing a potentially dark shadow that continued deadlock would have placed over many aspects of our discussions, particularly those concerning the economy.

In a very personal sense, it represented one of the proudest moments I have known in political life. It meant we would soon be able to take another symbolic step in our country's development. We now will be adding to our flag and our national anthem a truly made in Canada constitution that will be at home in Canada. I believe we will finally have achieved, after 114 years, a true and independent nationhood.

My discussion on the constitution would be incomplete if it did not note my profound regret that the Quebec government was not a party to the agreement. Ontario's aim throughout the constitutional discussions had been to work for a package of amendments broadly acceptable to the people and governments of Canada.

This province attended the conference in the first week of November with the explicit aim of finding a compromise between the then federal resolution, which we fully supported, and the accord of the group of eight. Our Premier made this aim very clear in his opening remarks to the conference.

It was not our objective, nor the objective of any conference participants, as far as we know, to isolate the Quebec government or to ignore

the needs of Quebec. It was up to each government to represent its own interests, and to place its own views on the table.

In his opening remarks to the conference, Premier Lévesque demanded that the federal government not act unilaterally on patriation, but accept the ruling of the Supreme Court of Canada which called for a significant consensus of provinces to honour the convention on constitutional amendments.

It is now clear that all governments, except that of Quebec, came to the first ministers' conference prepared to work out a reasonable compromise, and they did so. The federal government is not now acting unilaterally. Nine provinces and the federal government support the resolution as revised. Surely this is a significant consensus, as any reasonable person would understand the term.

Nevertheless, Mr. Lévesque has cried foul and is now demanding that the project be stopped. While I can understand the stance adopted by he and his government, given its objectives, I find it difficult to follow their reasoning. In past attempts at constitutional reform there was an assumption that the approval of all provinces was required, the so-called tyranny of unanimity, as some have called it. However, it was never clear whether this assumption was based on a legal requirement or just political necessity.

Last spring, the government of Quebec was a party to an appeal to the Supreme Court of Canada in which this very issue was considered. A majority of judges, including those from Quebec, decided that "a substantial measure of provincial consent is required." Moreover, the court said, "It would not be appropriate for the court to devise in the abstract a specific formula which would indicate in positive terms what measure of provincial agreement is required for the convention to be complied with. Conventions by their nature develop in the political field and it will be for the political actors, not this court, to determine the degree of provincial consent required."

My lay interpretation of this judgement is that while a significant consensus is required to honour the convention, unanimity is certainly not required.

Moreover, last April 16, the government of Quebec signed an understanding with seven other provinces in which it accepted an amending formula based on the equality of all provinces and in which neither Quebec nor any other province had a veto over amendments. It

thus seems strange to read Premier Lévesque's interpretation that this principle of no veto was to apply to future amendments but not to the current one. If the veto was of so little importance that he was willing to accept the formula without it, surely it is hard to argue now that it is of primary concern.

Ontario is concerned, as I said earlier, about the situation in Quebec but we are heartened by the distinction we believe that is being made by Quebecers between the views of their government and the benefits of the constitutional resolution to them as individuals. As the federal Minister of Justice, the Honourable Jean Chrétien, said in the House of Commons on November 20: "It is essential to distinguish between the interests of Quebec and the interests of the Parti Québécois . . . so we have chosen to listen to those who ran as federalists and were elected to serve Quebec . . ."

Ontario remains committed to finishing the job of constitutional reform. We assume the provinces and the federal government have other issues they will want to raise in the next stage of this process. That stage will take place after the resolution is passed in the United Kingdom and has been proclaimed in Canada. The Quebec government, along with all other governments, will have a further opportunity at that time to press for the changes that they believe are necessary.

In addition to the constitution and other domestic intergovernmental issues, the ministry has also been active in advancing Ontario's interests in the international scene. At the outset, I want to make it clear that our initiatives in this regard are taken within the framework of Canadian foreign policy and are closely coordinated with the federal Department of External Affairs. As foreign relations have come to encompass a broader range of governmental activities, including those in the economic, social and cultural fields, the federal government has been obliged to consult and co-operate with the provinces which have jurisdiction for many of these functions.

By the same token, the provinces have found that to pursue their constitutional responsibilities effectively, they have had to strengthen their liaison with External Affairs and they have had to develop direct contacts with counterparts in other countries such as the United States and in international organizations. Thus, Ontario is consulted by the federal government for its views on the ratification of a United Nations agreement on social matters or on

possible projects to be considered for bilateral co-operation in such forums as the Canada-Belgium cultural committee or the Canada-Germany committee on scientific and technical exchanges.

Ontario, by the same token, is anxious to make the federal government aware of its concerns on issues such as acid rain and to contribute to Canadian efforts on this subject in the United States. The focal point for the increased contact between Canada and Ontario on such matters has been the Ministry of Intergovernmental Affairs.

3:50 p.m.

During the past year, we have continued to develop our capacity to advise Ontario ministries on the international implications of their activities and to represent their concerns to External Affairs. As on our domestic side, our aim is to ensure that External Affairs has a co-ordinated, integrated view of Ontario's interests.

A recent innovation in this regard, for example, has been the loan for two months of one of our ministry's staff to the Canadian embassy in Washington. This has permitted the embassy to increase its efforts to explain Canada's and Ontario's concern with regard to acid rain, both to the administration in the United States and to Congress. It has ensured that Ontario's views on this complex issue are available on the spot to the embassy staff and that any additional information required can be quickly and effectively provided.

A second important international initiative undertaken by the ministry has been the decision to establish an Ontario office in Brussels. With the exception of Ontario House in London, the Ministry of Industry and Tourism offices abroad concentrate on trade and tourism. The Brussels office, however, will represent the Ontario government as a whole. In addition to economic matters, this office will reflect Ontario's social and cultural interests in its dealings with the European community and with the Kingdom of Belgium. Mr. Omer Deslauriers has recently been named head of post—

Mr. Ruston: He has sure got an appointment for the few votes he got.

Hon. Mr. Wells: He is a very distinguished citizen of this province, former president of l'Association canadienne-française de l'Ontario. He has recently been named head of post and it is our intention for the office to be operational

early next year. At about the same time, we hope to complete arrangements for the expansion of the Ontario office in Paris and the naming of an agent general there.

I also want to note briefly our responsibility for co-ordinating Ontario's contribution to international disaster relief programs. Working in co-operation with External Affairs and agencies such as the Red Cross, Ontario has committed \$700,000 for reconstruction efforts and aid to refugees in Italy, which comes in the wake of last year's devastating earthquake, as well as \$50,000 for immediate relief in a similar disaster in Algeria.

Through our office of protocol services, the ministry is in contact with the 62 foreign government consular missions in Ontario. It is interesting to note this number is a 100 per cent increase since 1971. These consular missions are responsible for the development of trade and cultural relations within their assigned jurisdiction. The number of missions in the senior level of representation attests to the importance foreign governments give to the economic and cultural activities of this province.

As a result of the increasing international interest in Ontario, the ministry has put into effect a number of programs which assist foreign diplomats in the pursuit of their endeavours.

Last summer, for example, we organized in co-operation with the Ministries of Northern Affairs, Natural Resources and Industry and Tourism a tour of northeastern Ontario to give these foreign officials, including consuls general and trade commissioners from 19 countries, a close look at the vast resources and potential of that very important part of Ontario.

In addition to almost daily contacts with the consular corps, the ministry offers annually two seminars to brief consular officials on major national and Ontario issues and on our government programs. This kind of activity enables them to deal more effectively with the Ontario government and with the business community here.

As part of this government's program to promote a greater awareness of Ontario's objectives and policies, the office of protocol services organizes official visits to Ontario. During the fiscal year 1980-81, Ontario played host to 58 distinguished visitors, including heads of state and government as well as senior ministers and other top officials.

Mr. Stokes: Almost as many as the Speaker.

Hon. Mr. Wells: That is right.

Already this year the number of VIP guests has totalled 80. In addition to playing host to world political leaders the government and people of Ontario are of course always delighted to welcome members of our royal family. Last summer we were honoured by the visit of Her Majesty the Queen Mother and Her Royal Highness the Princess Margaret. I am most happy to report that these two visits were both highly successful, and our two royal visitors were enchanted by their welcome. The Queen Mother took part in many engagements, including one in front of the Parliament buildings here and including the celebration of the bicentennial of Niagara-on-the-Lake, while Princess Margaret visited Cambridge, Timmins and Port Carling.

Mr. Nixon: Three rather unlikely centres.

Hon. Mr. Wells: It is very important. She was very impressed with them.

Mr. Nixon: She should have been.

Hon. Mr. Wells: In fact, I remind my friend that Princess Margaret's visit to Timmins was the first for a member of the royal family to that part of the province in some 20 years.

In 1980 we were pleased to participate in the arrangements for His Royal Highness the Duke of Edinburgh's fifth Commonwealth study conference, which brought together 318 men and women from every part of the Commonwealth to discuss their involvement in the problems of industrial communities.

As part of its hospitality role last year the office of protocol organized 148 functions to better acquaint our visitors and guests with various aspects of Ontario life. Protocol officers also arranged more than 50 ceremonies and public events ranging from the installation of our Lieutenant Governor, to Canada's birthday picnic, to the At Queen's Park series of exhibitions in the Macdonald Gallery.

Last spring I succeeded the Honourable René Brunelle as the minister responsible for French-language services. Mr. Brunelle is now retired, of course, from active political life. However, I would again like to pay tribute to him as an able advocate of Franco-Ontarian interests. Under his leadership significant progress was made in the province's ability to offer its services in French. I am committed to building on his efforts.

There is a tendency in this House and elsewhere to criticize the government for the constitutional obligations and comprehensive legal framework it has not accepted. What I

think is unfortunately ignored are the moral obligations we have accepted and the comprehensive programs we have and are developing. I am pleased to report that the government's capacity to fulfil its program commitment has been greatly increased in recent months. Moreover, our progress and organization have attracted the provinces of New Brunswick and Manitoba to study our system as an example of the way in which they can effectively deliver French-language services.

In addition to the core of people in the office of the co-ordinator working full time on French-language services, there are now full-time French-language services co-ordinators in the Ministries of Health, Community and Social Services, Culture and Recreation, Environment, Labour, Industry and Tourism, Municipal Affairs and Housing, Consumer and Commercial Relations and the Attorney General.

There are, of course, also the staff in the office of the Assistant Deputy Minister for Franco-Ontarian Education, the translation bureaus in the Ministries of Government Services and the Attorney General and the French-language services section in the Civil Service Commission. An increasing number of ministries, including my own, now also have bilingual information officers. While the greatest expansion of French-language services has generally taken place in those ministries with full-time co-ordinators, significant developments have also occurred in other ministries, each of which has a senior staff member in the position of part-time co-ordinator.

I am not going to take up the time of the House this afternoon to describe all the recent initiatives undertaken by each individual ministry. These will be outlined in the annual report of the co-ordinator, which will appear early in the new year, and in forthcoming government policy statements. At this time, however, I might just mention several specific items.

First, in the field of justice, the government is building on its existing guarantees to provide a criminal trial in French to anyone in the province by extending its bilingual services in the civil courts, as the Attorney General just recently announced. This capacity will now cover areas containing more than 80 per cent of the francophones in Ontario.

4 p.m.

Second, the translation of selected statutes is proceeding quickly. More than 70 of the most important statutes are now available in French, including such widely used acts as the Highway

Traffic Act and the Education Act. Third, I am happy to report that the French-language College of Agricultural Technology in Alfred opened its doors in September and is now providing specialized instruction for more than 50 young Franco-Ontarians. Fourth, the French-language secondary school in Penetanguishene will be completed in time to open after the Christmas break.

Almost all ministries now offer services in both languages in their regional offices in the designated areas while a growing number of ministries now have formally adopted a French-language service policy statement for their specific programs. The office of the co-ordinator has been instrumental in much of this activity. The staff of the office meet regularly with ministry co-ordinators. Submissions to cabinet, the deputy ministers' council and other government-wide bodies are regularly prepared with recommendations for further means of meeting the government's policy commitment in this area.

The co-ordinator's office has been active on some specific points this year. In the area of information, it has been developing new means of ensuring that Franco-Ontarians are aware of government services that are available in French. It has prepared listings in French for the blue pages of local telephone directories of all government offices where French-language services are available.

Last autumn, it inaugurated the program Renseignements Ontario, which provides free telephone access in French for information on all government programs, not only those normally offered in French. It has been very well received by the francophone population. For a period, the staff answering the toll-free telephone lines were getting up to 50 calls a day. The ministry undertook an advertising program a year ago to ensure that francophones could take full advantage of this program. A follow-up program, with a slightly different message, will commence shortly.

The office of the co-ordinator undertook this summer, with the aid of the federal Commissioner of Official Languages and outside researchers, a major study of the current organization and scope of French-language services in the province in order to identify gaps and suggest improvements. When this is completed, I will be happy to report on its major findings. Funding for these two new activities has come from a special \$1 million fund which has been added to the budget of the co-ordinator this year to improve French-language services.

In addition to government-wide projects, the fund has provided about \$500,000 for some 60 worthwhile initiatives within the francophone community. For example, \$100,000 was made available to Association canadienne-française de l'Ontario to finance a project to recommend ways of improving the economic prospects of Franco-Ontarians. The sum of \$35,000 was granted to a newly formed Ontario association of French-language lawyers to prepare a guide to the practice of common law in French, a project that has just been completed. I will be pleased to provide any further detail on these grants during the course of this debate.

By assuming the reporting function for the Council on Franco-Ontarian Affairs, the ministry now has responsibility for policy advice, co-ordination of service delivery and the main channel of communication within the Franco-Ontarian community. Through this streamlining, we are now much better able to respond quickly and completely to the expressed needs and desires of francophones in this province.

I can assure Franco-Ontarians, and I can also assure this House, that the government's policy and budget commitment to the expansion of French-language services is a high priority. Our commitment is real and we are determined to ensure that it is based on a solid capacity to deliver. Mr. Chairman, that concludes my opening remarks. I will be happy, of course, to respond to any questions that are raised by the members or answer any concerns that they may have during the course of this debate.

Mr. Chairman: I thank the minister for supplying copies of his opening remarks to myself and other members of the House.

Mr. Nixon: Mr. Chairman, my colleague the member for Ottawa East (Mr. Roy) is not immediately available, and I thought I would take this opportunity to make a few remarks in response to the minister's opening address and to express some views of my own in connection with the operation of his ministry.

Personally, I regret that we will not have an opportunity to have a debate on the constitution itself. In so saying, I do not represent a majority of my colleagues. My main regret is that I have some things to say about the administration of the ministry and certain of its other responsibilities. When we talk about those at the same time as we talk about the successes and accomplishments by the provinces and the government of Canada in the constitutional matter, the two simply do not fit very well.

It appears we will have an opportunity to discuss the constitution in these estimates and those of the Premier (Mr. Davis), and evidently it was discussed in the estimates of the Attorney General (Mr. McMurtry), which is fine. My only objection is that talking about mundane administrative matters does not fit very well when we want to embark on some flights of constitutional review. That is my only regret.

I express my personal congratulations to the minister and his colleagues for the role they played in this year-long negotiation. There were times when my Conservative friends in the constituency of Brant-Oxford-Norfolk, in approaching me about the matter, were not quite as pleased as I was. It should have been seen not necessarily as support by the Premier and Ontario for Pierre Trudeau and the Liberal government but simply as a realization that Ontario for a good long time has played a significant role in the move towards constitutional patriation and reform.

Mr. Stokes: What about your native friends in Brant-Oxford-Norfolk?

Mr. Nixon: My honourable friend is anxious that I get to a more important section of my speech, having to do with the rights of the natives who so far have been good enough to support me in my electoral attempts in that constituency. If he is able to contain himself for another hour and a half, perhaps we might get to that point. By so saying, I in no way want to downgrade the importance of that matter because, as you will see if you can withstand this particular test of time, Mr. Chairman, it will be a principal part of my remarks. I and my father before me have been concerned about that for a long time.

Mr. Chairman, as you and the member for Lake Nipigon (Mr. Stokes) know, both of us were given Indian names by our Mohawk brethren. My Indian name is Shadegarenhes, which, roughly translated from the original Mohawk, means Trees of Equal Height. Even the translation requires interpretation. It really means that from the standpoint of the member for Brant-Oxford-Norfolk and his predecessor, the eminence of individuals means nothing and we always reduce things to truth, justice and verity. That is just a rough translation from the Mohawk, but it suits me. I can only have sympathy for the fact that the member for Lake Nipigon does not have a similar Indian name.

Mr. Gordon: How about Mighty Oak?

Mr. Pollock: How about Old Hickory?

Mr. Nixon: I like Shadegarenhes, if my friend will let me stick with it.

Mr. Gordon: Hansard won't know how to spell that.

Mr. Nixon: I will assist Hansard as soon as I look it up in the book.

I was enthused at the results of the conference. Although I do not often quote Peter Newman's editorials in Maclean's, I want to quote just two paragraphs from the one in the November 16 issue:

"The compromise that ended 114 years of having our constitution in British custody was made possible by the goodwill of nine of the 10 provincial Premiers, but it was Trudeau who had to move the farthest and give up the most. The accord of November 5, 1981, will be carved in this country's history as one of those rare moments when our political leaders realize what the people of this country have known all along, that Canada is and always will be greater than the sum of its parts."

4:10 p.m.

I do not apologize, but there is a part of another paragraph that I want to quote a bit out of order for reasons of my own. It goes this way:

"In the process, every part of the patriation package was improved. The new amending formula requires not only the approval of the federal Parliament, but of legislatures representing at least two thirds of the provinces with half of Canada's population. This will ensure a far greater measure of consensus than was possible in either of the original Victoria or Vancouver formulas."

I was interested in the minister's careful delineation of Quebec's position now that they have placed themselves sort of outside the family of provinces in approval of the constitutional package. The minister has indicated that by Mr. Lévesque's signature on the approval of the procedures and the position of the group of eight, he abandoned once and for all Quebec's historic right of veto.

I have a feeling his argument is a bit of wishful thinking in that connection, because obviously the position of the group of eight was not accepted by the Prime Minister nor by the assembled Premiers, who had changed their position somewhat. In my own view, Quebec was fully absolved from having made a signature that might be called ill advised. Certainly anybody interested in the politics of Quebec

should so call it ill advised. It was a mistake, no doubt about it.

If Mr. Lévesque was going to the conference only with the goal and aim of disrupting it and seeing that no agreement was reached, he might have thought that his signature at that time in consolidating the position of the group of eight would finally put the kiss of death on the whole constitutional negotiations. Of course, that is not the way it turned out, though he was manoeuvring even at the end with the Prime Minister on some sort of a peculiar procedure that might have resulted in a referendum. That was abandoned, and I believe it was the good sense of all concerned that led to the abandonment of that alternative.

The minister further responds to the argument about Quebec's position by saying the Supreme Court has found that amendment is quite possible without unanimity. For that, we all breathe a sigh of relief. Yet there is a feeling that a residual argument might be made, if there were a court to which it could be made, which is that this argument applies to the amendment once it comes back to Canada in its new form and for the next 100, 200 or 1,000 years, but not necessarily in the time of transition.

For that reason I am a bit concerned that the minister and his colleague the Attorney General have taken a position with regard to Quebec which absolutely admits a discussion of perhaps a kind of arm's-length concern but no action that might still at least alleviate the situation. I do not believe it would be possible to persuade the Premier of Quebec and his government colleagues to see the good sense in an alternative, since politics down there have certain realities that the minister pointed out on about page 27 of his prepared remarks.

I do believe that Ontario is giving up its historic role of being an actual partner of Quebec in the development of constitutional and other matters in this country. The minister's colleague the Attorney General took an even stronger stand in dismissing the position taken by the government of Quebec. On page four of his opening remarks in his own estimates he says as follows:

"The people of Quebec are not isolated; the government of Quebec is—and that is because of its refusal to bargain in good faith, its refusal to compromise as all other governments have done. In the months ahead, as we bring this matter to a conclusion, it is important for us as public representatives to keep reminding the people of Quebec of one undeniable fact: 10

governments were prepared to bargain and bend in the interests of national unity; one government was not."

My own feeling is that the position is perhaps more inflammatory than it need be. It could be that the time is long since gone when we have to be too careful about what we say about Mr. Lévesque and his colleagues in government as long as we continue, as the minister is, to show the kind of goodwill towards the people of Quebec and the function of the province that we always have. Yet to almost throw down the gauntlet as far as the government of Quebec is concerned is probably ill advised.

It is not the sort of thing the Minister of Intergovernmental Affairs would tend to do on his own. Even in his prepared remarks here, his arguments were reasonably drawn as to why we really do not have to give further consideration to the position Quebec finds itself in. He says it has signed away its right of veto. My own feeling is that is not a good argument; it was ill advised. It was done in the heat of the kinds of negotiations which Mr. Lévesque may well have thought would play out to his benefit in the long run.

Quebec's action in accepting that amending formula is one where one might feel there was an ulterior motive rather than putting forward a united front of eight Premiers which it was hoped, from Quebec's point of view, would result in agreement. I do not believe it hoped for agreement. It was its judgement that agreement was impossible.

Even the ruling of the Supreme Court that unanimity is not required does not sit well when one looks at the traditions of our nation where the French-speaking people were very much a founding group. Many people, myself included, have certain fears in our minds that if the whole basis of our new constitution is based on the argument put forward by the minister and his colleague the Attorney General, we are not on the strongest ground we might hope to be.

I want to return briefly to the historic association that Ontario has had with Quebec. I feel very sorry indeed that we find ourselves in this past year having no special position vis-à-vis Quebec whatsoever. This is the first time since Confederation that is so. We can look back even on pre-Confederation arrangements which allowed the politicians from Ontario, Upper Canada or Canada West, to have a special rapport, political and otherwise, with their opposite numbers in Quebec.

We can think of the historic twinned names

Baldwin and Lafontaine, whose portraits stand each side of the front door of this Legislature. That is probably the best example. They were not dealing with a federal government in those days, but in a sense they were dealing with the Colonial Office of the United Kingdom. In their fight for responsible government, they were able to put aside differences that were as deep and as far-reaching as the differences we have now. They established a kind of friendship among the principal political people, Baldwin and Lafontaine themselves, which we should have been able to maintain with Quebec.

I feel that the minister, his colleagues and the Premier of Ontario have established those close working partnerships with individuals across Canada but, unfortunately, not including those in Quebec. This is regrettable and very important for the position that Canada finds itself in now, particularly the isolated position that Quebec finds itself in.

It could be that Quebec, as a matter of policy, has been searching for this position and feels it is the one square on the checkerboard of politics from which it can move into sovereignty. We would regret that and we feel we are prepared to do almost anything to prevent it. But I express again my regrets that the government of Ontario has not been able to maintain its historic position, either officially with Quebec or on a personal basis.

I have jotted down a few names. I am not going to talk about the historic importance of them all. There was Macdonald and Cartier, of course. There was Brown and Dorion. There was Baldwin and Lafontaine, as I have already mentioned. Jumping to more recent times, there was Premier Hepburn and Premier Godbout. As a matter of fact, Hepburn and Duplessis had the kind of close working relationship which, while we need not copy all of its personal aspects—

Mr. Stokes: I am sure you would not.

Mr. Nixon: I might; but perhaps my friend would not. It still had the kind of relationship which at one time was called an axis by its detractors, the Hepburn-Duplessis axis, which did not exclude Quebec from taking a position strongly against the government of Canada but allowed Quebec to lean on its ally, Ontario, and vice versa in days when, in my view, it was not to the detriment of national unity.

4:20 p.m.

We can move on to the association between John Robarts and a succession of premiers

ministres, particularly Lesage, Sauvé, Johnson and certain others. I see somebody shaking his head over there. We will probably pursue it over a cup of tea on another occasion.

Of course, we can only presume from the number of times the then Premier Robarts and his junior staff travelled to Quebec that they must have been doing it for some purpose other than to visit the principal restaurants of Lower Town. To be fair, the association between the heads of governments and their staffs was excellent. It really meant that even though governments changed in Quebec and even though, God help us, they did not change here, the relationship between the provinces was healthy, growing and a counterbalance to the federal authority, which in a way does not have a similar counterbalance at the present time. If it has a balance, it is Ontario on the same side of the scales as the government of Canada, while certain other provincial leaders, particularly in the west, provide the counterbalance.

It really started to fall apart, I suppose, in 1971. The minister referred to the meeting of first ministers in Victoria. We have talked about it in this House before, and I do not apologize for talking about it again. I was invited as Leader of the Opposition by the then new Premier (Mr. Davis) to go along as part of our delegation. The first thing decided was that the meetings would be in camera. I had a glorious week taking pictures of flowers in Butchart Gardens.

Having had as close an association as an outsider could have had with what happened under those circumstances, I was very impressed by the fact that under the leadership of the relatively new Prime Minister of Canada and given the political situation at the time in which the new Premier of Ontario, who was gathering his flags and bunting around him and charging his cannons with all the political gunpowder he could find, was the only one in any kind of political system that might have been in balance—and I suppose I contributed as much as anybody to the fact that he was not unnecessarily out of balance—it was possible for the other Premiers and the Prime Minister to reach an agreement. In fact, all of them signed the accord, and it was not until Mr. Bourassa got back to Quebec City, sat down with his colleagues and, I suppose, was given a lesson by them on political realities that they withdrew from that accord.

The basis of their withdrawal, as I recall, had nothing to do with an amending formula; in those days the Prime Minister was not talking

about the entrenchment of a bill of rights. But Quebec decided that for them to move forward in the cultural way they expected, they would need to have control over communications. The minister mentioned this in his speech as well, or I recently heard him talk about communications as a provincial responsibility. They wanted overall control of social programs such as family allowance and certain other programs. I believe there was a third thing of equal importance, which I cannot think of at the moment—and I cannot get help although it is being offered.

My point is not to give a full list of those differences but to show that even then Ontario could have done more, calling on the basis of goodwill which then went back more than 100 years and was reinforced by the high regard the government and people of Quebec had for John Robarts and were quite prepared to transfer to the new Premier of Ontario. We could have moved into an agreement at that time if Ontario had done more. Even if we had said we supported the movement of those powers from the federal government to the provinces and sat down as the linchpin province, as we considered ourselves to be then, and insisted that an agreement recognized the problems that Quebec had enunciated, we could have moved forward at that time.

Now, a decade later, we find ourselves not quite in such an advantageous position. I do not think the people in Quebec are interested in what we think. We have lost a good deal of our credit. They feel we have not responded in what they consider to be a fair and equitable way to serve the francophones in Ontario. We can argue that, but we are simply talking about the way it is perceived by the people in Quebec.

Perhaps we also do not understand their commitment to maintaining the French language and culture in Quebec, come what may, whether it be by the constitution or appeals to courts or whatever. Those of us in Ontario looking at the provisions of certain relatively new legislation that prevents people even using English on signs and so on tend to throw up our hands and ask, "What can you do with that sort of unreasonable approach?" Personally, I do not consider it unreasonable. I believe that the government and the people of Quebec, or at least their principal spokesmen, feel their language and culture are under some threat.

For more than a decade, the planes bringing immigrants from many countries in the world, but particularly European countries, were landing, day after day, unloading hundreds of

immigrants who considered they were coming to an English-speaking country and were more interested in learning English than in learning French, which was the basic language of Montreal, the community in which they had decided to make their homes. The writing was on the wall. The statistical changes were there. The dilution of French language and culture was obvious.

Whatever we thought about it, if we thought about it at all, the government of Quebec was certainly concerned. The politics of Quebec made it possible for it to move forward with the kind of legislation that protected the French language, even at the reduction of the ability of English to be used in commerce and in the general community. I do not believe we properly appreciate the pressures the francophones in Quebec felt during that time. As far as we are concerned now, there is a tendency for us to underestimate the conviction of the government of Quebec, whether it is separatist or otherwise, in rejecting the principles that have now been agreed to by all the other Premiers and the Prime Minister.

We should not completely write off the possibility that the government is truly sincere in its rejection of the proposals, which it may feel will still leave the people of Quebec living under a threat to their language and culture that they find unacceptable. It could be, and I suppose it is now possible, that the government of Ontario has rejected any move that it might make either now or in the future to ameliorate the situation.

It looks to me as if we have forever abdicated our special position vis-à-vis the government and people of Quebec. It might appear ridiculous if the present Premier and the present government undertook some special initiative. They might be afraid of what they would consider to be a misunderstanding of their inadequate approaches to certain francophone attitudes and initiatives here. It might be misunderstood and they would go to Quebec City or the province of Quebec only to be jeered at and laughed at. If that is the case, then things are much more tragic than even I had supposed.

We, as members of this Legislature, have long had a great community of interest with our opposite members in the Legislature of Quebec. Some of us, I suppose, are interested in the amenities offered in the Legislature itself; but far beyond that is the fact that our budgets are roughly comparable, our populations are roughly

comparable and the problems we have should be, and always have been in the past, roughly comparable.

4:30 p.m.

I believe that we have failed in our duty to see that our close association with the Legislature and the government of Quebec has been kept up. In my time, and it is only 20 years, we used to experience interprovincial visits from the Premiers, the cabinet and large delegations from the province. I can recall the Premier of Quebec being asked to address the assembly from Mr. Speaker's platform on at least one occasion.

We have certainly had the kind of visits interprovinciales in the other direction, which really is the only way we can have the personal relationships that have somehow faded out of existence and are now no longer there for us to draw on. If anything, we are considered more a foreign province by the government of Quebec and the members of the Legislature than any other province. We are seen as the antifrancophone ogres. Nobody is really too interested about what I am saying about this anyway, and I do not mean to throw anything into the fan, but more than anything else I must say to the minister that the cause of this has been the attitude of the Premier.

We can talk in this House, and we certainly will for many hours this week as these estimates continue, about the initiatives taken by the government towards French in the courts, French services and phone lines where you can phone in and somebody will answer in French and so on, but I suppose the thing that galls is the attitude of the Premier that an antifrancophone attitude is a possible stance for a politician in Ontario.

As I say, I do not intend to labour this but simply to recall to the minister's mind and yours, Mr. Chairman, the occasion when a bill was put forward by the member for Ottawa East (Mr. Roy), which was not revolutionary in any sense of the word but which would have established the rights for the French-speaking people in Ontario to be served in the French language. It was approved by every member of this Legislature except the Premier, who was absent but who then called a press conference and said that as long as he was Premier, the acceptance of the concept of that bill was simply out.

Now, we recall the situation, and I say again it was no doubt a sincere emanation of his view. It did not get widespread publicity in this province, because I suppose everybody knows where the Premier stands with regard to francophone

rights—he is very generous, unless it is a matter of right—but it certainly got widespread emanation in Quebec. Everybody knows about that, and I suppose at one stroke he lost a century of goodwill. Anyway, that is gone, and Ontario as a balance in these constitutional discussions was lost.

As a matter of fact, we were not very influential. We were not really a balance; we were agreeing with the Prime Minister, which was the position that I and my colleagues were prepared to support, and the constitutional fight really never came into this Legislature. As somebody said, it was not an issue. We all agreed essentially that the package put forward by the government was supportable and, while we have not got it in total or in perfection, still we have a package that is acceptable and that in some respects, frankly, I like better than what was put forward originally.

I want to move on to some of the matters that are specifically in the package. I was glad to hear the minister say that Ontario does not intend now or in the future, which may be some months away as far as they are concerned, to use the "notwithstanding" provisions. It was suggested by some, my colleagues among others, that if that were the case, we should have it removed from the package as far as Ontario is concerned. We might even have a piece of legislation here that would lead to a debate in the House saying, I suppose, that we are not going to use it in this province and we are putting it as far as possible beyond the reach of legislators to come so it is clear that Ontario's position is one of acceptance for the bill of rights, which is generally accepted to be the best in the world except for those rights that are entrenched in the constitution of the Soviet Union. The experts tell me that is a fact.

That is also a commentary on just how useful entrenched bills have been in the past. While we are glad those rights are entrenched, we still must realize and recognize that it is the men and women in government, as well as those in the courts, as well as those on the bench, and their interpretation of these rights that actually give them flesh and meaning and reality. We can still do something about the notwithstanding area.

I was also interested in the minister's remarks when he indicated he felt there was no question about the rights of men and women under the constitution and it was only when the debate really got going in Ottawa that it became apparent some Premiers were not prepared to accept those as they had been described and

generally accepted. Some of the negotiations following that have re-established them on a Canada-wide basis with the possibility of opting out remaining.

I was interested to read an article by Richard Gwyn in the *Star* a few days ago, in which he described how Premier Blakeney was dragged, somewhat against his better judgement, into accepting those rights, and it described the role of his cabinet ministers in persuading him so to do.

The other matter I want to deal with at some length, members will be glad to know, has to do with the rights of the native people, the aboriginal rights of the Indians in Ontario. I do not believe we have any Inuit, do we, Patrick?

Mr. T. P. Reid: Yes.

Mr. Nixon: We do. I am corrected by my colleague from Rainy River. This minister will know, and the chairman will be glad to learn, that the largest Indian reservation in Canada is in the constituency of Brant-Oxford-Norfolk. A section of it, the New Credit reserve, is in the constituency of Haldimand-Norfolk.

Mr. Boudria: Two great ridings.

Mr. Nixon: Right, right, right. It is the largest Indian reservation by population. A number of my constituents were not pleased when the text of the Attorney General's letter to the government of Canada—he wrote it to Mr. Chrétien—having to do with native rights, was released. It is interesting that it was a northern Indian chief who obtained a copy of the letter and expressed his own great concern when he made the letter public.

I suppose to be fair, the Attorney General was not saying he was opposed to granting those rights, but expressing his concern that because the rights were so ill-defined, to entrench them in the constitution would lead to the kind of litigation which would be never-ending.

The Attorney General has not been loathe in the past to come forward with legislation that might be a field day for lawyers. That is not one of his principal concerns, but in this instance he went so far as to suggest that the Indian people might even lay claim to Parliament Hill and most of the precincts of the city of Ottawa itself as an indication that the rights were so ill-defined that to entrench them would be a matter of bad judgement.

Frankly, I am very glad that pressures, political and otherwise, have led the Prime Minister and all of the Premiers to now accept native rights with the addition of the word

“existing.” Even that to the Indian constituents in my area was a bit galling. The addition of the word is fairly meaningless, but in their minds it is simply kind of a weasel word which will allow the governments of the provinces and the government of Canada to object and drag their heels through the courts when the rights of the Indians, whether monetary or otherwise, come to judgement. Many of these areas should have been settled by now.

The Supreme Court found just about a month or two ago that the Indians' right to hunt and fish is based on the oral commitments made by our predecessors in reaching an agreement with the Indians that they would have the right to hunt and fish without the proscriptions of the laws that were not there when the Indians handed over the title to their property. They have the right to hunt and fish, according to the Supreme Court, without the bag limits or species limits that we as a Legislature have imposed on the rest of the population.

This is a grave problem and a concern for the minister and his colleague the Minister of Natural Resources (Mr. Pope) and maybe the Attorney General. They have indicated they are going to appeal the ruling to the Supreme Court. But these are matters we should move towards settling.

4:40 p.m.

It could be the Indian people are going to have the right, as long as the wind blows and the grass grows, to hunt and fish as they please, and we are going to ring it around with some kind of strange wall of special regulations, saying: “Okay, you can hunt deer when you want, but heaven help you if you sell it or if you give it to a friend. That means you are breaking the law.” We have to settle these things.

Maple Mountain was one of the projects of the government of Ontario a decade ago. It was going to be like Ontario Place, only in the north. The government had even made some expenditures and plans, until the Indians placed a warning, or whatever you call it, in the registry offices, indicating they had a claim to those lands. That claim was serious enough that the government abandoned any projects it had in the area. It might have had a few other reasons as well, but at least that was one and the Indian claim rests there unresolved.

The government of the United States has gone a long way to buying out the claims of the native people in Alaska and in certain other areas. Quebec has in some respects led the way at the provincial level in buying out the rights of

the native people in some of the areas in the northern part of that province, particularly the part affected by the large hydroelectric developments in the La Grande area.

It costs money and it is going to cost us a lot of money. It may be that an agreement is not reachable, but so far we have done absolutely nothing to move in that direction. The frustration of the Indian people has been apparent. In many respects, the "generous" white community, through their elected legislators, has done magnificent things for the Indian community, has given them financing for a good education. As a matter of fact, on Friday last I attended the opening of a medical centre on the Six Nations reserve which is second to none, paid all dollars and first dollar by the government of Canada. It is well administered, I should say—

Mr. MacDonald: Very well.

Mr. Nixon: Very well, by the son-in-law of the member for York South, who was the master of ceremonies at the opening procedures. He did not call on the local member to speak, but I will get him for that on another occasion. As a matter of fact, it may have been because there was not a dollar of provincial money involved in that, not a dollar. We are going to have to do something about the medical facilities down there.

Perhaps I will just take a moment, Mr. Chairman—I know you are interested in this—to talk about the medical facility. It is not a hospital, but it is an excellent building with facilities for dentists and doctors, presided over by an administrator, Mr. Johnson, and also by a nurse-practitioner, a most capable lady, Mrs. Porter, well trained and with the confidence of the community in no uncertain terms.

But the great need there is to provide for the senior citizens and those who, because of health problems, cannot care for themselves. The hospital the Indian community used to have, opened by Lady Willingdon when her husband was Governor General back in the 1920s, is now well beyond its functional use. It has been designated as not being entirely safe as far as fire is concerned, which is putting it mildly, and it is clear that a new facility for a nursing home is necessary.

The federal government says: "We do not build nursing homes, even on Indian reserves. We build hospitals and we build medical centres for doctors. The province builds nursing homes." The Minister of Health (Mr. Timbrell) said, "Right, we build nursing homes, but not on Indian reserves." That is the kind of catch 22 the

minister and his colleagues are going to have to solve. For us to sit back and say we are not responsible while this building, largely a frame and brick construction, gets older and older—and it is well-kept, believe me—is, frankly, a risk we as members of this House should not take much longer.

The Indians themselves have every right to our enthusiastic support. Historians would tell us, even some who are not historians like Pierre Berton, that Canada would not exist if it had not been for the Indians in the War of 1812. Those particular Indians, the Mohawk and the Six Nations who now reside in southwestern Ontario, are the ones who were the allies of the crown at a time when we did not have many allies in this part of the world.

Without them, beyond a shadow of a doubt, we would have been prey to the doctrine of manifest destiny. We would now be a state of the union and our governor would have responsibilities other than those he has at the present time.

The Indians look back on these things, at the fact their title to the land was removed under various circumstances and they cannot understand why their rights are not safeguarded and settled with alacrity.

One matter that gives me a good feeling in this connection is that the first ministers, when they decided to remove the entrenchment of native rights from the constitution, said they were going to have a first ministers' conference as a matter of priority and deal with this between the government of Canada, the provinces and the leaders of the native community.

I would certainly hope the fact that native rights are now entrenched or will be entrenched by act of Parliament, both here and in Westminster, does not mean the Premiers and the first minister will simply forget about the unfinished business having to do with the Indians, both in southern Ontario and elsewhere. That federal-provincial conference should go forward with a minimum of delay.

I would also say that we, as members of the Legislature, should not permit ourselves to sit back and say, "This is a responsibility of another level of government." It clearly is not. The requirements for the nursing home on this large Indian reserve, the largest in Canada, is simply one of the matters we must come to grips with.

I would suggest to the minister, if his ministry continues and he continues in the ministry, an initiative should be taken involving the members of this House in assessing with the Indians

themselves what the differences of opinion are and what the treaty rights are which have been unfulfilled, and that we in this House should be moving to establish a position in Ontario, as was established in Quebec and, I suppose—it is a terrible thing to contemplate—put a price tag after a line is drawn at the bottom.

It may be these rights will never be bought out, but some of them certainly could be as we see the continuing disruption in both the white and native communities in those areas where the matter is such a major issue.

I want to say further, when I speak about the ministry continuing or the minister continuing in the ministry, that in my view the ministry is not necessary. I have a feeling the minister himself would agree. It is not just that the budget is relatively inconsequential because so much of the responsibility has been removed. In fact, all the jobs the minister now does could well be done by some of his colleagues.

My own feeling is now and always has been that intergovernmental matters pertaining to the provinces and the government of Canada should be handled by the Premier himself. If he wanted to have a special office within the Premier's office to do that, that would be acceptable and understandable.

As it is, the present minister is a bit redundant. When we see the constitutional discussions taking place, there is a most unseemly rushing and flailing of elbows by the minister and the Attorney General as to who gets to the camera first.

Mr. T. P. Reid: The Attorney General won hands down.

4:50 p.m.

Mr. Nixon: The Attorney General always wins because he is more strongly motivated, for reasons we do not clearly understand. He does not understand about the hare and the tortoise, and while he is elbowing his way to the camera his colleague, all bruised and battered, is simply chatting with a few of his Tory colleagues and seeing if they have any problems he can assist them with. I am not going to stick with the hare and the tortoise because it may be more than a race of just two.

It occurs to me that if the Premier is going to give his old football buddy such a prominent place in intergovernmental matters, he might, with a certain degree of understanding, simply close down Intergovernmental Affairs or simply make it an office of the Premier. The office of intergovernmental affairs could be transferred holus-bolus with this lean staff he talks about.

By the way, I looked them all up in the blue book a year ago, and nobody gets less than \$40,000. I presume that the poor, downtrodden deputy is still not making do with only \$64,000, that he has really had a raise since then. But the ministry is getting to be pretty well fixed. I would not exactly call it lean when I look at the budget. We will have a chance as we get into the votes to have a look at some of these travel expenses and things like that. But the word "lean" does not leap to mind when I look at the salaries we are paying the staff for the ministry.

Now that municipal affairs has been shucked off properly in response to the Liberal demand going back to the election of 1975, I believe it is a good thing. Not that this minister did not handle his municipal affairs responsibilities at least as well as they are now being handled, but I think many of the municipalities feel a certain relief that there is a ministry—perhaps we will even get back to calling it a department some time—where there is someone with sole responsibility for dealing with their matters of importance and their legislation. But that means a large area of worry and concern has been removed from the minister.

In looking through the briefing file, I see that many of the administrative functions of the ministry are shared with the Treasury, which probably means the Treasury does it. I certainly hope so. This leaves matters of protocol and entertaining visiting dignitaries to this minister. He also has something to do with searching for people who should be given the Order of Ontario. That is still in the ministry. And, naturally, he is required to go along to federal-provincial conferences with all the problems I have described.

Although the minister is shaking his head, when the grand public shake-up of the ministry comes some time in the next few months, as come it must, this would be a neat way to move a bit further away from the report of the committee on government productivity, that old report that messed up the cabinet for lo these eight years, almost 10 years now. It is time we put aside the recommendations of that great platoon of fat-cat Tories who were on that committee and let them do the jobs they are now doing in the various emanations of government and get back to a practical allocation of the responsibilities of the cabinet.

We do not need a Ministry of Intergovernmental Affairs. It would be completely sufficient for it to be an office within the Premier's responsibility. I am not saying in any way that

we do not need the minister. The minister may or may not have what you call a personal agenda; I sincerely hope he does, in the political meaning of that phrase, but that is up to him. Meanwhile, he is the classic tortoise—not quite as good looking, but in the genre. As far as I am concerned they are the guys who win the race.

This time next year, after the leadership of the New Democratic Party is settled—and we are watching the new leader, the present member for Scarborough West (Mr. R. F. Johnston) exercising his responsibilities, the leadership of the provincial party will be settled from among these many great contenders—

Mr. Grande: And who will you watch?

Mr. Nixon: That will be announced in due course.

Hon. Mr. Wells: And who will you watch?

Mr. Boudria: We have lots of talent here.

Mr. Nixon: Right. Then we will be in a position to see what happens to the race over there. When one of the principal contenders has as his main method of catching the public eye reading the business of the House for the following week every Thursday, I really feel it is not fair when his colleague the Attorney General is on television making statements of policy and being asked by the Premier to welcome visiting football players and so on. The Minister of Education (Miss Stephenson) with all her charm and suavity—

Mr. T. P. Reid: And tact.

Mr. Nixon:—and tact, is running one of those huge ministries that impacts on every community day by day. The Minister of Health (Mr. Timbrell) with his new-found reasonableness and family and his new tailor—it does not seem fair that the Minister of Intergovernmental Affairs is forced to back out of so many public involvements.

For him to go out and speak to the good Tories east of Toronto and all he has to talk about is the constitution, I am telling you he cannot win votes that way. There are bound to be Tories there who are going to blame him for the position that the province has taken when they should be blaming Roy and the Premier. The Minister of Intergovernmental Affairs does all the work, he is pushed out of range of the camera and then has to go to defend it to Tories. Mr. Chairman, we on this side stand for justice. In this instance, we tell you that the minister is not getting justice.

The best way is to abolish the ministry. He can get something else. The Ministry of Correc-

tional Services needs a new hand at the tiller in my view. He can have some other responsibilities which would fairly put him in the race that will lead to the leadership of the great old Progressive Conservative Party of Ontario. They have only a few more months in office. The honourable minister has earned the changes I am prescribing and I would say in this instance the changes are only fair. He has earned a right to compete. In that instance, I would resume my seat.

Ms. Bryden: Mr. Chairman, this is the first time I have been the critic for the ministry which used to be known as Intergovernmental Affairs, but now I think it is known as MIA, which probably means the same thing.

The ministry has certainly shrunk greatly from its previous size in the budget. Whether that indicates its importance has also shrunk is something we will have to look at. Its budget, because it had municipal transfer payments in it, used to be \$650 million; now it has shrunk to \$4.3 million. If the minister had any ambitions for leadership to succeed the Premier when he decides to step down, it would hardly be expected that a minister who only handles \$4.3 million would be in the running.

In spite of the fact that the ministry's budget is now down to \$4.3 million, it is showing a 38 per cent increase over the amount spent last year by the branches that have been left in MIA after municipal affairs was clipped off. Actually, that percentage increase is a little low because they have started a new policy of putting in for disaster relief, a one dollar entry, although last year they spent \$149,000, so that the estimates are somewhat under what the anticipated expenditure will be if there are any disaster expenditures in this coming year. Unfortunately, there probably will be.

5 p.m.

However, now that the ministry has been cut down to really dealing with intergovernmental affairs and no longer has its municipal responsibilities, it has about six areas to focus on. Perhaps it will be advantageous if the ministry does focus on these areas more precisely than it has in the past.

The six areas I see are, first, relations with the federal government, which will include in this coming year the very important area of new equalization arrangements and new fiscal transfer arrangements under the EPF, the established program funding agreement.

Second, it has relations with the other prov-

inces. Judging by what went on in the constitutional negotiations, its relations with the other provinces are not entirely amicable or clear. There were certainly great differences in the constitution.

Third, it has relations in the constitutional sphere, involving both federal and provincial, which is a very specialized area. While the constitutional debate may end this week as far as the resolution that goes to Westminster, the constitution is an ongoing thing. Once we have patriated it, there will still be amendments to it. So this is a very big area for the ministry.

Fourth, the ministry deals with what might be known as its external affairs department, dealing with visiting people, diplomatic corps, offices abroad and things of that sort. We will be looking into services and expenditures in that field as we get down to the detail.

Fifth, the ministry should have a responsibility in its relations with the Third World. I fail to see any real reference to that in either the minister's remarks or in the estimated expenditures. We all know that Prime Minister Trudeau has been flitting around the world, talking about north-south relations and Third World considerations, and our need to see that peoples of the Third World do not remain in the state of abject poverty that many of them are in. If we want to have our world developed so that all peoples are able to share in world resources, we will have to address this problem. If we want international stability we have to consider the needs of the Third World. If we leave people in states of poverty, unemployment and exploitation by the other parts of the world, we will be building world unrest.

Sixth, the minister's relationships with people and organizations, which mainly come under the hospitality fund and protocol activities. We will be looking into that later on as we get to those votes.

I am planning to deal briefly with the responsibilities of the ministry in these six areas, starting first with its relationships with the federal government and the subject of transfer payments.

The minister mentioned on page eight of his comment that on the matter of transfer payments, the federal government appears to be "less concerned about clear definitions of powers and less concerned about respecting provincial jurisdiction. Parliament, rather than federal-provincial conferences, is claimed to be the means for defining and determining the national interest."

I am not sure this province has been that concerned with determining the national interest, because the way it has used the EPF grants for health and post-secondary education distorts the whole principle of them. The principle of those grants was to ensure more or less equal standards across Canada for people needing health care and for people attending post-secondary institutions.

Programs were worked out by the federal government where approximately 50 per cent of the costs were shared with the provinces. It enabled the poorer provinces to provide standards of services somewhat close to what the better-off provinces could establish. But the Ontario government took the money and, instead of seeing the citizens of Ontario got the services intended in those national programs, it diverted the money to other needs, probably to keep down its growing deficit.

As a result, our health services are not universally accessible, which was the aim of the medicare program when it was brought in. Our hospitals are facing deficits of more than \$100 million, which means that hospital services are not going to be available to the people of Ontario at the standard intended by the program. All of these things are happening, not because the federal government cut back its share in the last five years but because the provincial government diverted parts of that money to other services.

Now we are talking about user fees in hospitals. If the Minister of Health (Mr. Timbrell) would restore what he has taken away from the hospitals out of those federal grants, he would not have to consider user fees and he would have been able to keep our hospitals in the black instead of the red.

In the field of post-secondary education, the universities have been suffering from serious underfunding in the past four or five years. This is largely the result of the provincial government diverting funds from the EPF payments for post-secondary education and putting Ontario close to the bottom for the provinces as far as per capita funding of universities is concerned.

Mr. Grande: Ninth this year, is it not?

Ms. Bryden: My colleague says it is ninth. He is the critic for the Ministry of Colleges and Universities; so he should know.

5:10 p.m.

The federal budget which came down a couple of weeks ago proposed federal transfers be cut over the next five years by \$5.7 billion.

Ontario's share of that will be \$1.9 billion. There will be some tax increases from new federal taxes in which Ontario will share; so the net loss to Ontario will be \$1.1 billion over the next five years. All that this can mean is Ontario will either have to cut services further or to raise taxes, unless we can persuade the federal government to abandon this cutback program. Certainly, the transfer payments are intended to ensure that services in the social field will be more or less equal, or at least not below a certain basic standard for all Canada.

I ask the minister what he is doing in terms of his responsibility to negotiate with the federal government to change this federal policy, to speak in the national interest. I must admit he goes to the federal government with a very weak case because of the way he has been diverting its money in the past. It makes it very difficult for him to fulfil this role, to overcome these cutbacks.

If he does not succeed in overcoming these cutbacks, he will be a member of a government that will have to impose higher taxes. It has already imposed more than \$600 million in the last budget on the ordinary individual. It could probably put some more on its friends in the corporations and the resource industries, but it does not seem willing to do that.

The minister is going to face a very serious cutback in services in this province over the next five years if he does not succeed in reversing that federal program and in getting the other provinces to join with him in that initiative.

It might be a good idea for Ontario to host a conference of all the provincial ministers in the fields affected by these transfer payments, to come forward with a united position to present to the federal government.

It appears the federal government is really trying to balance its budget on the backs of the people who share in those transfer payments. This includes not only people who need health care and post-secondary education but also people receiving assistance under the Canada assistance plan and, generally, provinces that need equalization payments to bring them up to the national average.

The Ontario government has always taken the position that it did not object to paying equalization payments for provinces that were the so-called have-not provinces. But if we do not unite with the other provincial Premiers and ministers affected to ask for retention of the

present equalization level, we will not be fulfilling the commitment we made to see that there are equal services across Canada.

It might be possible also, in such an interprovincial conference, to exchange ideas on delivery of services in the fields of health, post-secondary education and social assistance. Some useful sharing of costs could be made, and some interprovincial reciprocity on matters, to see that Canadians, no matter where they move, are entitled to national standards in these fields. I have not seen very much initiative from this province in this field. Are they trying to see that our national approach and our national goals and objectives are achieved in these fields?

The federal government is talking about putting a sort of penalty clause on provinces that do not maintain the national goals and objectives. Presumably it would put a penalty on Ontario if it continued to allow extra billing in medicare, because that is contrary to the national goal of equal access to medicare.

Surely the approach should not be one of penalties but of consensus that these transfer payments and social cost sharing between the provinces and the federal government are still very basic to our national unity and to our sense of being Canadians, rather than parts of individual provinces with different standards.

Moving on to our role in the external affairs world, I notice that we do have two offices abroad, in Brussels and Paris. I wonder whether we need both of them, whether these external offices are not rather expensive operations to provide some nice jobs for some friends of the government. Do they actually provide us with very much in the way of contacts or services that we cannot get through the Canadian External Affairs offices or through the Ministry of Industry and Tourism offices.

I would prefer that sort of money to be spent on another initiative that the ministry mentioned, which was to maintain a person in Washington to fight the acid rain battle. I see the minister sent somebody there for two months on loan to the Canadian embassy to work on this problem of acid rain, but the problem is of such serious proportions and requires international action and pressure on such a large scale that it would be more useful, if the ministry is in the business of setting up offices, to set up an office in the United States just to deal with the acid rain problem and to work with the International Joint Commission in this field.

Another area of external affairs, as I men-

tioned a few minutes ago, is involvement in the Third World. Mr. Chairman, you will recall that there was a United Nations conference in Paris in September of this year which concluded that the poor were getting poorer and the rich richer throughout the world. Then there was the Cancun summit of a selected group of countries which also came to the same conclusion.

At the Paris conference, Canada agreed to double its rate of foreign aid but did not set any deadline for reaching this and did not take inflation into account. Basically, the agreement left it up to the donor countries to do what they could do on their own to increase this assistance.

Canada's record in foreign aid is abysmal. It fell from a high of 0.56 per cent of the gross national product to 0.43 per cent of the GNP in the last year. The United Nations target for all countries is 0.70; so we are a long way from there. The government pledged to get back to 0.50 by 1985. What I am suggesting is that Ontario could do a small part in helping Canada as a whole to get to that target of 0.70 of the GNP for foreign aid. I submit that in the long run it will pay off in terms of trade contacts, in terms of products and services that we may be able to sell to Third World countries, but it will pay off even more in world security and our moral obligation to the people in the Third World.

5:20 p.m.

I think the minister in his opening remarks mentioned our moral obligation in the field of French-language services, but I submit that we have an equal moral obligation to do our part in assisting the Third World. I want to draw his attention to a bit of ancient history he may have forgotten about, or he may not have been in this ministry when it came up.

Back in 1975, a group of 11 churches banded together as the Ontario Council for International Co-operation and asked the provincial government to match the amount of money they could raise for international development and Third World aid. They came to see the government and embarked on quite a lobby. They mentioned that the governments of several other provinces were doing this. The provincial government finally appointed Mr. T. R. Hilliard, former Deputy Minister of Agriculture and Food, to survey this question; and while he made an impressive case for provincial involvement in his report, he opted for leaving the problem to Ottawa, primarily to avoid duplication of effort.

There would be little duplication of effort if the provincial government would match the efforts of the church groups that try to bring some aid to the Third World. They would do most of the money-raising for their half and the administration and development of the projects. A great deal of voluntary labour is probably involved in the projects, and it would really be good business. But after the government looked at this question, especially before the 1977 election, and indicated it might consider it, it was finally turned down.

I suggest to the minister that he look at a program of that sort again. If he does not want to get involved in his own aid programs, this is a relatively small way of helping programs in the Third World. I think in 1975 the churches were spending about \$9 million a year. Matching that figure would not have been a great amount. I commend that to the minister.

Regarding the constitution, I too regret we are not having a formal constitutional debate. It would have focused our comments on the accord, the subsequent amendments and what we expect from patriation and future changes in the constitution. To divide it up among the estimates of three ministries really indicates the government is not very interested in focusing attention on what went on. I can understand that when I look at the accord of the nine Premiers and the Prime Minister, because I think they should be ashamed of that accord.

They should be ashamed because, in effect, they went along with many Premiers who had opposed the charter from the very beginning and who really wanted to gut it. They let them get away with it.

Mr. Boudria: Some of them are NDP too.

Ms. Bryden: That is not true. But I will deal with that later.

They destroyed the inclusion in the charter of rights without an override of some of the most important areas of that charter, namely, the ones dealing with women, who represent about 52 per cent of the population, and the handicapped, who had to fight to get themselves included in the draft resolution during the hearings of the parliamentary committee.

In the override, they included such fundamental freedoms as freedom of assembly, freedom of speech and some other very important freedoms to all Canadians. They included in the override legal rights, the right to habeas corpus, to a fair trial and to be presumed innocent until proved guilty—all very fundamental freedoms, which were intended when they were put in the

charter to guarantee to Canadians that they would have rights across the country equal for all Canadians in these fields.

For Ontario to have gone along with that accord indicates it did not consider those rights very important. As far as women's rights go, the Premier admitted in this House that he did not recall there being any discussion on women's rights, certainly not on clause 28. As regards putting the override on the clause prohibiting discrimination on the grounds of sex, namely, clause 15, it is lumped in with the protection against discrimination for people on grounds of race, religion, handicap and so on.

It did not appear that any of these groups was considered more important or less important than others but that they were all considered expendable. It does not sound from what we have heard as if there was any great discussion of whether any of those groups should be subject to override through the federal Parliament or the legislatures of the provinces.

It appears these groups were just dealt out in the poker game. If the provinces that say they do not want those dealt out, particularly in the fields of aboriginal rights and women, had perhaps stood up a little more strongly and prolonged the conference a bit longer, they might not have dealt those out. It seems to me they gave in very quickly on the negotiating and bought an accord at a very high price. I am afraid we may pay for it in the future.

For instance, in the case of women, we have on our statute books a law that presumes to provide equal pay to women. But we know, in its application and enforcement, it has not resulted in equal pay; women are now making about 58 per cent of what men make, and the number of cases that are won under that act is so minuscule that it is not an effective instrument for overcoming cases of discrimination against women or for moving women out of the ghetto occupations, the low-paid occupations, into the higher-paid occupations and overcoming that wage gap.

5:30 p.m.

Let us suppose there is a court decision under section 28, which the women's lobby managed to get back in after the accord and which says, "Notwithstanding anything in this charter, the rights and freedoms referred to in it are guaranteed equally to male and female persons." If there is a decision that says our equal pay law does not guarantee no discrimination on account of sex, which is in section 15 of the charter, then the province will have to decide whether it

wishes to bring in new equal pay legislation which will guarantee the rights and freedoms equally to male and female persons or whether to bring in an override clause which will say that our kind of equal pay law overrides section 15. Then they have five years to renew that law. That is the situation they will be in if the courts should decide our law is against the charter of rights under section 28.

The minister's quoting of the Premier's statement that he would never use the override clause is, to my mind, something that one cannot accept. I can see all sorts of cases where the province finds that its present laws are challenged in the courts, and it will put in an override to make sure that those laws stay as they are rather than amend them to remove what the courts have found discriminatory.

I think we have to recognize that the poker game would have worked if some of the groups who were dealt out had not organized tremendous lobbies to win back the rights that were dealt out. I refer particularly to women and native peoples. But both of those groups had organized tremendous lobbies and presented very good briefs to the parliamentary committee back in January and February of this year. They felt they had won their battle then. So it was pretty galling to both groups to find that their hard-won gains, which were made after the parliamentary committee reported, had been lost and that they had to start all over again after the accord.

Members will recall that the parliamentary committee did improve the wording of section 15, bringing in mentally and physically handicapped people and improving the antidiscrimination clause, but it did not bring in the clauses guaranteeing full equality for men and women or the protection of native rights. It was a New Democratic Party amendment, moved by Stanley Knowles in April in Parliament, which brought in those two additions to the constitutional resolution. That was then part of the package that was sent to the Supreme Court.

Those two groups felt, as of last April, that they had won fairly substantial protection for their rights under the charter. Of course, there was no override at that stage. They were extremely disappointed by the actions of the nine Premiers and the Prime Minister in dealing them out again and forcing them back to the position where they have to fight for a definition of what is being protected.

The native peoples have had the word "existing" put in, which may have changed the meaning of the clause they fought for so hard last April.

The women are now subject to the override which also applies to all of those very important areas that I have mentioned—fundamental freedoms, legal rights and discrimination against women, handicapped and people on grounds of race, religion and age.

I am not sure whether what we have is a very good charter of rights worth sending over to Westminster. At least we have section 28 and the native rights added in. If we cannot get rid of the override provisions by further amendments during the next few days they will have to be eliminated ultimately by constitutional amendments after patriation.

But I hope that in the next few days the Premier and the Minister of Intergovernmental Affairs will get in touch with the other first ministers and make one further effort to take out the override clauses, particularly on section 15, which affects so many people and which is the main antidiscrimination clause. I would also like to see them take out the word “existing” from the native rights resolution. If, as the government says, it does not really mean anything or add anything or take away anything then why leave it in? So although time is running out it is still not too late for an initiative from this government in these fields to improve the final draft that goes to Westminster.

I notice that in his opening remarks the minister said the whole point of the accord was to restore the confidence of Canadians in our political institutions. I very much doubt whether the dealing that went on and the results that came out of the conference that reached the accord have really restored our confidence in our political institutions.

There is one other little matter on the constitution that will come up when we go over the details, but perhaps I could raise it and get a comment on it from the minister. We have an advisory committee on Confederation, which has been working for two or three years and producing reports. At least, I understand that it has produced two reports on aspects of Confederation. I have only one here, the first report of April 1978, but I understand that there was a second one which was to deal with the division of powers. I am not sure whether it is out yet or not.

I wonder whether this is not one of our committees that should be under a sunset law. Now that we have reached this stage in the constitutional debate we do not really need to carry on with an advisory committee. The amount of money involved is fairly small, but no

doubt staff and research contracts are required, and I think the ministry might look at whether or not that committee could be retired.

I wanted to spend a little time on the question of the program to provide services in the French language to Franco-Ontarians. The minister has mentioned it is now an important part of his ministry, and the estimates provide \$978,000 for this program. That is close to a million dollars, and it is a very substantial sum of money.

The background paper mentions that \$257,000 was spent last year on a publicity campaign in this field. I am not sure, but I think it was charged to this ministry through a special warrant or Management Board order. I would like to know what sort of campaign that was spent on. There is a tendency for this government, when it is asked to put in programs, to start off by spending a lot of money on an advertising program which may indicate to the public they are thinking of doing something, but often the advertising program is as much as is done. I hope the actual program is going to be more substantial.

5:40 p.m.

It will depend on how many ministries have full-time co-ordinators. I see in his statement he mentions nine have them. He does not say how many have part-time co-ordinators to bring French-language services to the people of Ontario. We would like to know that too and how soon he expects to have full-time co-ordinators in all ministries. If it is worth doing for some ministries it is certainly worth doing for all to provide services to Franco-Ontarians. I notice he boasts that the Penetanguishene French high school is almost ready, but of course we know it is mainly over the dead body of the provincial government that it is being built at all.

Hon. Miss Stephenson: That is absolutely untrue.

Ms. Bryden: It certainly took an awful long time and an awful lot of agitation to get it built and to get it accepted. I also note the background paper talks about the French-language services as having—let me just quote the exact phrase—“the overall objective to co-ordinate the implementation of integrative, complementary programs and initiatives designed to create better mutual understanding and co-operation with the francophone community of Ontario.”

I am not quite sure what he means by the use of that word “integrative” because I think this is a bilingual country. We live side by side with people who speak French and English. We

should not be talking about integration. It sounds too much like assimilation. We should be talking about the preservation and protection of both languages and services in both languages.

The other thing I wonder about when I look at the \$978,000 they are going to spend is that almost half of it, \$425,000, is going to go into the private sector. This government's way of delivering services seems to be to hand out money to private companies where you may not get exactly the program you want or where you do not have as much control over the program. Particularly for a new program like this, I just wonder what kind of private sector activities they are subsidizing to this extent.

With regard to the government's interest in developing French-language services, I share with the previous speaker from the Liberal Party, the member for Brant-Oxford-Norfolk, the feeling that the provincial government is ready to spend some money on services, but it is not ready to declare French an official language in Ontario, as it should be. I cannot see why it balks at that step. Having French as an official language in Ontario means we extend section 133 of the British North America Act to Ontario. We then have French as an official language of this Legislature, have our statutes published in both languages and we have French available in the courts. Those are the three things.

I know the government is moving on getting the statutes translated, and I know it is moving on providing French court services in some areas, and I know a person can speak in French in this Legislature and have it reproduced in Hansard. So what is the reason for not declaring French as an official language of Ontario? I think the only reason is that the Premier of this province, and presumably his colleagues, want to continue to cater to bigotry in this province for electoral purposes, by refusing this symbolic step.

They are not showing any sort of statesmanship when they do that, because this refusal is being interpreted in Quebec as an anti-French move, and as a reason why Quebec should separate from Canada. "If French is an official language of this country, and the biggest province in this country is not willing to recognize it as an official language under section 133 of the British North America Act, then does the rest of Canada really want to keep us here?" That is what the people of Quebec are thinking.

Some people may say that will not appease

Mr. Lévesque, who wants more in the way of language rights. But as long as we refuse that step, we cannot approach the people of Quebec with clean hands. We must say to them that we are prepared to recognize French as an official language across Canada so that Quebecers can then move, if they wish, across Canada and have an opportunity to use their language in the legislatures or in the courts.

While some people will say we cannot do this overnight or we cannot do it in areas where there are a very small number of French-speaking people, we can work these things out over a period of time. We do not expect to do it overnight, when we declare French an official language, but we can phase it in and make arrangements for judges to be moved around the province until such time as we have developed a bilingual judiciary and a bilingual court system in full detail.

I would like the minister to use his good offices with the Premier to recognize that he and the government are doing a great disservice to Canadian unity and to the opportunity to get Quebec to consider that it is important to stay in Confederation. We have an opportunity to do this if we recognize French as an official language. It is very important for our future that we continue to make overtures to Quebec as to why it should be part of Canada, and not just concern ourselves with talking to Mr. Lévesque, who is very much determined to find fault with anything that is done by the rest of Canada, because it seems to fit his separatist bent.

We must talk to the people of Quebec as a whole, and let them see we are prepared to negotiate with Quebec and to consider a certain amount of special arranging for Quebec as far as opting out goes, as far as programs to enable them to maintain their culture and programs they think contribute to their culture are concerned. In that way we will be able to prevent any further referendums from going for separation. We will be contributing to separation if we continue to persist in this narrow and very bigoted approach to recognizing French as an official language in Ontario.

That is all I will contribute to this discussion at the moment. We will be raising some of these points in the individual items.

5:50 p.m.

Mr. T. P. Reid: Is the minister going to respond at the moment?

Hon. Mr. Wells: I would like to respond to a few things, Mr. Chairman, and I will respond in

reverse order. I appreciate what my friend the critic for the New Democratic Party has said about the status of the French language in this province, but I see no indication that a change in status in this province would have any effect on current relations between this province and Quebec.

I think back to what happened in this province in the early years of the 1900s when the French language was assaulted, particularly in education, and various regulations were passed that wiped out many rights of the French language that have consistently been restored by this government and by Progressive Conservative governments before it since 1943.

Although one can argue, as the member has done, for a greater official status in this province, I think we can say without causing any great uprising on anybody's part that in recent years we have established and provided services that certainly equal those provided in any other province. The services provided in Ontario are the equal of those provided in New Brunswick for the francophone peoples, and I think the education system particularly is one we and Franco-Ontarians can be justly proud of.

We are mixing a lot of things up. The fact is that section 133, the status of the French language, was not on the table during the discussions on the constitution. I do not think it has any particular relevance or is of any particular importance in the argument and discussion going on between us and Quebec in so far as the constitutional accord at the present time is concerned. It is not in any of the things Mr. Lévesque has put forward in his resolution in the Quebec House.

I am impressed with the kind of historical relationships the member for Brant-Oxford-Norfolk brought up and the names he reminded us of: Baldwin, Lafontaine, Macdonald, Cartier and so forth. I am also reminded that even though an assault was made on the rights of Franco-Ontarians in the early part of this century the relationship between Quebec and Ontario did not get any better or worse.

We have always maintained a relationship with Quebec, notwithstanding some of the battles that have been fought for or against the rights of the minority language group in each province. That is why I do not accept the argument that it will help Ontario-Quebec relations at this time or help the total relations among the other nine provinces and the federal government and the province of Quebec in what

we happen to do about the official status of the language in this province. It is not on the table now.

But the relationships between this province and Quebec, I think, are of great importance. I support the contention of my friend from Brant-Oxford-Norfolk. I recall that in the debate we had in this House just before the Quebec referendum I made a very lengthy speech and I referred to many of the historical relationships, the same kinds he talked about, between Ontario and Quebec. The only thing I would say is that the difference that has occurred since 1976 is that we are now dealing with a Premier and a government in Quebec who are committed philosophically and policy wise to separating that province from Canada.

This is vastly different from any of the other Premiers of that province—

Mr. Samis: How good was the relationship under Bourassa?

Hon. Mr. Wells: The relationships were very good under Bourassa, between this province and Quebec. There was a working relationship in 1971.

Mr. Samis: Nowhere near what it was with Robarts and Bertrand.

Hon. Mr. Wells: My friend is completely wrong. The relationships between this province, the Ontario-Quebec commission, the kind of projects that were going on, the visits, and the co-ordination and co-operation between ministries was of a very high nature. When I was Minister of Education for a number of those years, I can recall my relationships with the Minister of Education in Quebec, a man who became the—

Mr. Samis: What about the top level?

Hon. Mr. Wells: The top level? It was there, the top level, the ministerial level, the civil service level.

What has happened is that we now have a government in Quebec committed to the very opposite of what the government of Ontario, the government of Canada and the governments of the other provinces are committed to. We have a government—

Mr. T. P. Reid: We have a different attitude on the province's part.

Hon. Mr. Wells: No, we have a government that is committed to separation. I just ask the member to stand up in this House and say if he is philosophically on side with the government of Quebec and its policy of separation.

Mr. T. P. Reid: They have a different attitude on the part of Ontario, too—

The Deputy Chairman: Order. There will be an opportunity to discuss this in debate.

Hon. Mr. Wells: I am just saying that the present government of Quebec is committed to something that we do not believe in. And I tell the House that my friend from Brant-Oxford-Norfolk does not believe in it, and that makes it a doubly difficult thing to establish the kind of long-term and binding relationships that we have always had. They have suffered because of this philosophical and basic difference between our governments and the government of Quebec.

I say to members we have never neglected and we will never give up on our relationships with the people of Quebec. All right, we do not have the kind of relationship that goes with the Baldwin-Lafontaine relationship, but we have relationships with people like Jean Chrétien and the Prime Minister of Canada in so far as the constitution is concerned. I could read to you some of the things that Jean Chrétien has said.

The Deputy Chairman: Mr. Wells, would this be an opportune time—

Hon. Mr. Wells: Let me just read this quote to my friends. This is Jean Chrétien speaking:

"I want to speak now to my fellow Quebeckers and I want to tell them it is essential to distinguish between the interests of Quebec and the interests of the Parti Québécois. The people of Quebec, whenever they have been asked to choose, whenever the people have been asked to choose, have always come out clearly for Canada, and so we have chosen to listen to those who ran as federalists, and were elected to serve Quebec, in this House, as opposed to those members of the government of Quebec, who act as separatists after they are elected, but who can only get elected when they promise not to bring about separation during their mandate."

That is the Honourable Jean Chrétien in the House of Commons, November 20, 1981.

What we are trying to do is establish some kind of relationship with the federalists from Quebec who sit in the House of Commons.

Mr. Chairman, I have some other comments that I would like to make, and perhaps we could continue those when these estimates next come on.

On motion by Hon. Mr. Wells, the committee of supply reported progress.

The House recessed at 6:01 p.m.

CONTENTS

Monday, November 30, 1981

Statements by the ministry

Bennett, Hon. C. F., Minister of Municipal Affairs and Housing:

Municipal amendment bill. 3999

Oral questions

Timbrell, Hon. D. R., Minister of Health:

Hospital services, Mr. Smith, Mr. McClellan. 3999

Extra billing, Mr. Van Horne, Mr. McClellan. 4004

Urea formaldehyde foam insulation, Mr. Swart, Mr. Van Horne. 4005

Henderson, Hon. L. C., Minister of Agriculture and Food:

Farmers' complaints, Mr. Smith, Mr. MacDonald, Mr. Riddell: 4000

Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics:

BILD program, Mr. Martel. 4003

Elgie, Hon. R. G., Minister of Labour:

Employee health and safety, Mr. Martel. 4004

Handicapped workers' wages, Mr. McClellan. 4007

Irwin Toy dispute, Mr. Mackenzie, Ms. Copps. 4007

Norton, Hon. K. C., Minister of the Environment:

Niagara River pollution, Mr. Kerrio. 4008

Sterling, Hon. N. W., Minister without Portfolio:

Freedom of information, Mr. MacDonald, Mr. Smith. 4009

Report

Standing committee on administration of justice, Mr. Williams, adopted. 4010

Motions

Estimates, Mr. Wells, agreed to. 4010

Committee sittings, Mr. Wells, agreed to. 4011

Supplementary estimates, Mr. Wells, agreed to. 4011

Standing committee on administration of justice, Mr. Wells, agreed to. 4011

First readings

Municipal Amendment Act, Bill 179, Mr. Bennett, agreed to. 4011

Regional Municipalities Amendment Act, Bill 180, Mr. Bennett, agreed to. 4011

County of Oxford Amendment Act, Bill 181, Mr. Bennett, agreed to. 4011

Waltham Creative Printing Limited Act, Bill Pr26, Mr. Mitchell, agreed to. 4011

Committee of supply

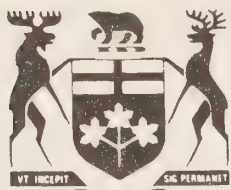
Estimates, Ministry of Intergovernmental Affairs, Mr. Wells, adjourned. 4011

Other business

Supplementary estimates , Mr. McCague, tabled.	3999
Business of the House , Mr. Wells.	4011
Answers to questions on Notice Paper , Mr. Wells, tabled.	4011
Recess	4037

SPEAKERS IN THIS ISSUE

Bennett, Hon. C. F.; Minister of Municipal Affairs and Housing (Ottawa South PC)
 Boudria, D. (Prescott-Russell L)
 Breithaupt, J. R. (Kitchener L)
 Bryden, M. H. (Beaches-Woodbine NDP)
 Copps, S. M. (Hamilton Centre L)
 Cureatz, S. L.; Deputy Speaker and Chairman (Durham East PC)
 Elgie, Hon. R. G.; Minister of Labour (York East PC)
 Gordon, J. K. (Sudbury PC)
 Grande, T. (Oakwood NDP)
 Henderson, Hon. L. C.; Minister of Agriculture and Food (Lambton PC)
 Kerrio, V. G. (Niagara Falls L)
 MacDonald, D. C. (York South NDP)
 Mackenzie, R. W. (Hamilton East NDP)
 Martel, E. W. (Sudbury East NDP)
 McCague, Hon. G. R.; Chairman, Management Board of Cabinet (Dufferin-Simcoe PC)
 McClellan, R. A. (Bellwoods NDP)
 Miller, Hon. F. S.; Treasurer of Ontario and Minister of Economics (Muskoka PC)
 Nixon, R. F. (Brant-Oxford-Norfolk L)
 Norton, Hon. K. C.; Minister of the Environment (Kingston and the Islands PC)
 Pollock, J. (Hastings-Peterborough PC)
 Pope, Hon. A. W.; Minister of Natural Resources (Cochrane South PC)
 Reid, T. P. (Rainy River L-Lab.)
 Riddell, J. K. (Huron-Middlesex L)
 Ruston, R. F. (Essex North L)
 Samis, G. R. (Cornwall NDP)
 Smith, S. L. (Hamilton West L)
 Stephenson, Hon. B. M.; Minister of Education and Minister of Colleges and Universities
 (York Mills PC)
 Stokes, J. E. (Lake Nipigon NDP)
 Swart, M. L. (Welland-Thorold NDP)
 Timbrell, Hon. D. R.; Minister of Health (Don Mills PC)
 Turner, Hon. J. M.; Speaker (Peterborough PC)
 Van Horne, R. G. (London North L)
 Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)



Ontario, LEGISLATIVE ASSEMBLY

No. 113

Legislature of Ontario Debates

Official Report (Hansard)

LIBRARY
DEC 11 1981

First Session, Thirty-Second Parliament

Monday, November 30, 1981

Evening Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Monday, November 30, 1981

The House resumed at 8:01 p.m.

House in committee of the whole.

HUMAN RIGHTS CODE

Consideration of Bill 7, An Act to review and extend Protection of Human Rights in Ontario.

Mr. Chairman: Did the minister indicate something to me?

Hon. Mr. Elgie: Mr. Chairman, it depends on the permission of the House. I have two pages of opening remarks, if members will agree to my making them. If not, we can proceed right into clause-by-clause consideration.

Mr. Chairman: The minister has indicated he has some brief opening remarks; but if there is no agreement by all parties, we will start in on section-by-section consideration.

Agreed to.

Hon. Mr. Elgie: Mr. Chairman, I am pleased that we are moving closer to the conclusion of the legislative process related to Bill 7. As members know, the bill was considered in the standing committee on resources development commencing on June 2. Some 26 days of hearings ensued, at which time 150 public submissions were received. I was able to be present at many of those sessions and when I was not there my parliamentary assistant, the member for Sarnia (Mr. Brandt), attended on my behalf.

The clause-by-clause debate before the committee commenced on October 28. There were nine sessions devoted to the debate at this stage, for a total of approximately 22.5 hours. I believe all members of that committee will agree that the exchange of views in relation to each of the sections under discussion was full and open and reflected careful and thoughtful preparation by all members.

A substantial number of amendments were introduced by the government in response to the public submissions received and those, together with the several amendments accepted from members of the opposition, have improved the bill in some critical areas.

I do not propose to say anything further by way of introduction except to reiterate my appreciation to the members of the standing committee and to those members of the public

who took the time to present their views so ably to the committee.

Mr. Chairman: Thank you, and I thank all House members for being so co-operative in terms of allowing the minister a few opening remarks.

I presume we will start section-by-section approval.

On section 1:

Mr. Renwick: Mr. Chairman, my first amendment deals with the preamble. Do you want to deal with it now or later?

Mr. Chairman: Thank you for bringing that to my attention. It is my understanding and I think parliamentary tradition has it, and I am looking at page 518 of a copy of May, that the preamble is usually postponed until all the sections are dealt with. With that in mind, we will deal with the preamble at the end of the bill.

Mr. Renwick: Mr. Chairman, I would not want to dispute Erskine May or you on that matter; so I will delay my amendment to the preamble until that time comes. I trust you will not lose it in the interval.

Mr. Chairman: Mr. Renwick moves that section 1 be amended by adding, after the word "sex," the words "sexual orientation."

Mr. Renwick: Mr. Chairman, I do not intend to move the same amendment to section 2(1), section 3, section 4(1)—

Mr. Chairman: I hate to interrupt, but I did not hear your preliminary words.

Mr. Stokes: He says he does not intend to move the same recommendations on the sections he has just referred to.

Mr. Renwick: Mr. Chairman, you will appreciate that I have moved the amendment on section 1 of the bill to include as one of the prohibited grounds of discrimination the term "sexual orientation." I do not intend to move the same amendment on section 2(1), section 3, section 4 or section 5. I intend my comments on this amendment to be taken to apply to each of those other sections to which I have just referred. It seems to me that is an efficient way to proceed on this question.

I want to take the opportunity, since it does

not deal only with the question of sexual orientation, to draw to the attention of the House what we are doing in the bill, and what we are failing to do in the bill, with respect to the question of what are prohibited grounds of discrimination. If a ground is not included in the bill as a prohibited ground, no one in Ontario has any right of action anywhere else to correct the wrong done to the person by reason of discrimination on an irrelevant matter.

There was some doubt about that proposition for some time and, therefore, members of this assembly were able to say, "If we do not include it in the human rights code, there is a remedy somewhere else." But there is now no longer in the law of this country, as it applies to Ontario, any such luxury to salve their consciences if they do not accept this amendment.

While we were in session, the Supreme Court of Canada gave its decision in the case of the board of governors of Seneca College of Applied Arts and Technology and Pushpa Bhadauria, which did not deal with the issue of sexual orientation but with the question of whether there was another remedy anywhere else on a question of discrimination where the prohibited ground was not dealt with.

Without talking about the substance of the issue Ms. Bhadauria faced when she went to the Supreme Court of Canada to find out whether she had any remedy, the court in an unanimous judgement gave the decision simply to say that if there is a remedy it must be under the human rights code and if it is not under the code, there is no remedy.

The members of the assembly have to understand that if a ground is not included in this bill as one of the prohibited grounds, it will be this assembly that is condoning the discrimination on that ground. It is not a question in the amendment I have before the assembly right now of including the term "sexual orientation" to say in any way that the members of this assembly condone homosexuality.

I do not take it upon myself to condone homosexuality as an acceptable lifestyle. But that is not the point. It is not a question of my particular preference or my particular likes or dislikes. It is a question of whether we are going to perpetuate discrimination in the province against persons because we fail to include the phrase "sexual orientation."

8:10 p.m.

I sometimes find it difficult to make a simple point in the assembly, but I trust I have made that one. All of the members here, and those

who are not here, if they oppose this amendment, are saying they condone discrimination in Ontario on the grounds of sexual orientation.

The clause I am talking about is the one dealing with the right of people "to equal treatment with respect to services, goods and facilities, without discrimination because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, age, marital status, family status or handicap." If we do not accept the amendment, it will mean we condone and invite discrimination against persons because of their sexual orientation.

If we pursue it in section 2(1), we will be permitting discrimination on the grounds of sexual orientation in connection with the occupation of accommodation. If we continue it in section 3, we will be permitting discrimination on that ground in the question of legal capacity and the right to contract. If we fail to include it in section 4 of the bill, we will be condoning it with respect to discrimination in employment and, similarly, "with respect to membership in any trade union, trade or occupational association or self-governing profession" under the provisions of section 5 of the bill.

I tried in the standing committee on resources development dealing with the bill, and I am trying again here tonight, as we tried on second reading of the bill, to make it clear to the assembly what the implications are with respect to this amendment. I am only going to repeat it once more.

The Supreme Court of Canada has stated clearly that it is entirely the responsibility of this assembly, and no other body, to prohibit discrimination. If we do not prohibit discrimination on any number of grounds, we are the ones who are condoning and accepting that discrimination.

We were talking earlier today in this assembly about the charter of rights and the constitution of the country. I think it is unacceptable that this assembly should duck its responsibility in an area that is of great concern and causes immense tension in the society.

People find it difficult to accept it because they are not at ease when they talk about questions of sexual orientation. I want to ask my colleagues to set their feelings aside and to deal with it as a question of discrimination. Is there any ground or basis in this day and age for this assembly, in a revised human rights bill in which we at least pay lipservice to the question of the equal worth and dignity of each individual, to be saying it is permitted in this province to discriminate on the question of sexual orientation?

I have given a considerable amount of thought, as have many people, to the concerns with respect to what in committee I referred to as trust relationships between adults and children. I think it is fair to say I am not particularly anxious, in those circumstances, to have an advocacy of the homosexual lifestyle.

The Board of Education for the City of Toronto, in its policy with respect to this matter, dealt with it adequately and fairly. I am not going to read the policy of the board to the House. It was presented to us in the standing committee. It was a clearly-thought-out policy and one that was accepted by the Toronto board for practical purposes by a unanimous vote.

It was a policy where the legalities—not the question of whether it should or should not be the policy of the board, but the legalities—were referred to the counsel for the Toronto board, and a policy with respect to hiring by that board was adopted.

The very question that is of real concern in the assembly about that trust relationship between adults and children was fully dealt with at the board, and that particular problem is protected under the policy of the board.

There are many other reasons why this amendment should be accepted. I was sufficiently concerned that I took the liberty of talking about it with the leadership of four of the major religious communities, and the committee had before it statements from three of the four communities. It is not that there were not other religious communities that I could have consulted; but I did consult four of them, and three of them replied formally to the chairman of the committee about their position in this matter.

I think it is fair to say that, despite the apprehensions which the governing bodies of those churches have about the matters under consideration, the bottom line was quite clear: No one was to be denied the civil libertarian protection of not being discriminated against because of sexual orientation.

I need not refer in any detail to the remarks in the McDonald commission report, which indicated that in Canada the Royal Canadian Mounted Police were keeping dossiers over a period of time not just on persons in positions where security was of immense importance but also on persons in the various communities across the country whom they believed to be homosexual. What was the reason? Misguided as the way they carried it out may have been, the

reason was the ancient one: A person in a society that does not have the tolerance to deal with the question subjects persons to the threat of blackmail.

Surely in this society at this time we should not in any way penalize persons who are in a minority and confront them with the possibility of blackmail. That is a very real concern I have about the matter. As we all know, two members of the Department of External Affairs, two Canadian ambassadors, were for one reason or another subjected to that kind of interrogation because they may have been a security threat. Not that they were; the evidence has never been disclosed. But it is certain that they were subjected to the security check because of the potential of blackmail.

I do not think any words of mine will necessarily change anyone's view on it, but I do want to make it absolutely clear where this party and this caucus stand on the issue. I understand that the House leaders have agreed that all the votes will be stacked until tomorrow or whenever the bill is finished, and I want it understood that when we vote on the amendment I have moved this evening, if this amendment is lost we will also be voting down a similar amendment to each of the other sections to which I referred in my earlier remarks.

I do hope we will have an opportunity in the debate tonight to have some interchange of views on this topic to see whether it is possible at this late hour to effect an amendment to the human rights code that is essential if we here in the assembly are not to be subject to the criticism that we have condoned discrimination in a society that most of us believe likes to be considered a tolerant society.

Mr. Chairman: I thank the member for Riverdale for pointing out to me his approach in regard to his proposed amendments on the other sections. I am sorry; I did not hear his opening few remarks in that regard.

8:20 p.m.

Ms. Copps: A point of order, Mr. Chairman: Can we have a copy of the amendment?

Mr. Chairman: Absolutely. I am sorry it was not provided to you earlier. I want to bring to the attention of the member for Riverdale that I notice a number of amendments to section 1. I will be approaching each amendment individually.

Ms. Fish: Mr. Chairman, I rise to speak in strong support of this amendment, which I understand has the effect of placing the words

“sexual orientation” between the words “sex” and “age” in section 1. I gather it is the precursor to similar amendments to include sexual orientation in each of the following clauses through and including section 5(5) of the bill.

Mr. Chairman: That is correct, but we are only speaking to this one.

Ms. Fish: I will confine my remarks to section 1, because I understand that we are on clause by clause. Some of my remarks will be equally applicable to similar amendments to be brought forward to the other clauses. In that regard, I will indicate them and share them with the members this evening in terms of the discussion on section 1 and will confine myself to more particular remarks on other sections as we move to those clauses.

A couple of things are worth saying at the outset; some have been said in the standing committee and some have already been alluded to here this evening.

One of the most telling pieces of evidence and documentation that came forward to the standing committee on resources development when it was dealing with amendments to Bill 7, and in particular when consideration was being given to amend this bill to include sexual orientation, was a presentation made by Mr. Peter Maloney on behalf of the Association of Gay Electors.

In his testimony and in his remarks, Mr. Maloney indicated in a very clear form, and subsequently filed some additional information for committee members, the most recent experience of scientific testing and research that has been done into the question of sexual orientation, particularly in the United States.

Without repeating for members the whole of the study and all of its ramifications, I think one conclusion is most significant and germane to this debate; that is simply that sexual orientation is not a matter of choice and that one's sexual orientation is determined at or before birth.

Young people growing to adolescence and coming to puberty do not select their sexual orientation, such as whether as women they will be sexually oriented to men or sexually oriented to other women; they simply realize the sexual orientation that has been set and determined for them before any child has any understanding of what a term of that sort would mean.

That lack of choice is significant and should be remembered by all members of this House when considering this bill and this amendment, because it suggests to me that we are dealing with something that is not simply explained

away by saying that if someone did not want to be “that way”—the words often used by members—they should simply choose to live a different life. The most recent finding of the very highest calibre, scientific analysis says that sort of suggestion simply no longer washes.

When we speak about the elements of choice, it is not in sexual orientation. The elements of choice come in questions such as whether one chooses to be celibate, to be monogamous or to be promiscuous. These are elements of choice. They are choices that are made by all people, whether they are gay or straight. They are not choices that go automatically with a particular sexual orientation any more than a form of dress, a form of speech or other superficial characteristics that attach to a person flow from the simple fact of sexual orientation.

It is important that members separate those elements, because what is being provided in this bill, and most particularly in this clause, is protection of the fundamental order of human rights in this province. I note that we provide protection in this bill and in this section for a variety of things that are a matter of choice. We provide protection for religion, for citizenship, for families with children, for marital status, for things that are chosen by people in our society, most particularly people who are adults.

We also provide protection for the things that are not matters of choice—for race, for ancestry, and for place of origin—for the things that one cannot choose but that one is simply born with. So we should be prepared to provide protection for sexual orientation, which is also not something one chooses but something one is born with.

It seems to me that as we read on and look at this clause in particular, we realize the protection is not for something special. It is not to separate people in our society out and say, “This one over here has something,” and it is a special category that is created and, “That one over there does not.” We are speaking in this clause about a right to equal treatment with respect to public goods, services and facilities in our society.

Surely we can recognize that there are people in this province with a variety in the differences of sexual orientation. But that is a real world, and there are people who discriminate in this province in the delivery of goods, services and facilities. If one's sexual orientation is not something about which one has choice any more than one has choice about one's place of

origin, one's race or one's ancestry, then surely it is time for this province to truly follow in its footsteps of tolerance and to forge ahead to be the leader it has always been in the field of human rights and provide the protection that is sought in this amendment, which I wholeheartedly endorse and commend to the house.

Ms. Copps: First of all, Mr. Chairman, I obviously want to speak in support of what has been my amendment up until tonight. The reason it has not been mine tonight is that I was under the impression that the preamble would be dealt with first. Since it has not been, and you have chosen to skip over to section 1, I will deal with the amendment that has been presented by the New Democratic Party.

However, I not only want to tell you about the decision I made originally to propose this amendment and to take a stand that was difficult for me, individually, and for many of the members of my party who have supported me, but also to tell you a little bit about how my original decision—which goes back some six months now—has been further solidified in the contacts I have had in the submissions that we have heard as a committee.

I trace the scenario of the whole issue. When I came to Queen's Park, I had always thought I would like to be the labour critic. One of the reasons I was interested in being the labour critic was that I come from a labouring town, and I feel that I represent working people. And it is something that has interested me in legislative terms and in terms of the input I can have into the political process.

However, the first issue thrust on my plate as labour critic was the issue of the Ontario Human Rights Code. At the time, I went through tremendous torture in my mind as to which position I would take and whether that position would be embraced by my colleagues. I know there will be colleagues here tonight who will speak against the motion.

8:30 p.m.

Not only that, but the concern I felt for the decision went back to the kind of person I am and the kind of community I would like to see us live in. I asked myself whether I could stand up in the Legislature and propose an amendment that would call for the inclusion of sexual orientation in the human rights code. I discussed it with some people whose opinions I respect. Some said: "Listen, Sheila, it is an admirable quality. We feel if you have to support it, please

support it but do not make a public issue of it. If you have to take a position, please don't be too vocal about it."

My style in politics, like my style in life, is definitely to be vocal about things I believe in; so some six months ago I stood up in the Legislature and said I would be moving an amendment, not only in the standing committee but also in the committee of the whole House, to see the inclusion of sexual orientation.

At that time, for the most part the issue of sexual orientation was a philosophical or personal one. I had not had the opportunity to discuss it with many homosexuals, because I am sure many homosexuals whom I have known in my life have not been out of the closet; therefore, I had not discussed it with many of them. Since that time, I have had the opportunity to receive input, not only from the homosexual but also from the heterosexual community that believes every person in this province should be treated equally.

I tabled with all the members a list of groups that have publicly stated their support for the inclusion of sexual orientation. They include the Ontario Human Rights Commission, the Anglican Church of Canada and Catholics for Social Change. I want to read into the record a letter I received quite recently from Leaside United Church, the United Church of Canada, which has not yet been made public. That letter is addressed to Sheila Copps, Legislative Building, North Wing. It is from Reverend Hallett Llewellyn.

"Dear Miss Copps:

"In support of your proposed amendment to Bill 7, may I inform you of the action taken by the Toronto conference of the United Church of Canada at its meeting of November 11, 1981.

"The following motion was presented and approved: 'We move that in areas covered by the Ontario Human Rights Code provision be made for prohibiting discrimination on the basis of sexual orientation.'

"This motion is a very important step for our church life. We hope it may be helpful and supporting to you as you present your amendment in the immediate future. My sincere thanks for your time and consideration." It is signed by Hallett Llewellyn.

In view of the fact that the Premier is a member of the United Church of Canada, and certainly many members on all sides are adherents of the United Church of Canada, the decision in that difficult step taken by the Toronto conference, which had previously been

supported by the Hamilton conference in its appearance before the committee, is further evidence that this society and this community are prepared to take the step of considering all people equal.

I do not think the issue is one of whether we agree with a person's lifestyle. I do not think the issue is whether one chooses the lifestyle or is born into it. I believe the issue is that we, as a community, must establish a principle of treating all people equally. We must not create an atmosphere and climate whereby a particular identified segment of the population can be denied jobs or housing simply on the basis of sexual orientation.

If sexual orientation on a heterosexual or a homosexual basis interferes with an ability to carry out a job, then it should become an issue. But the issue of sexual orientation should not be a prerequisite for housing in this province. It should not be a prerequisite for access to services. It should not be a prerequisite for a job.

I do not think any one of us, for example, would agree with a job application form that asks you to list your name, address, sex and sexual orientation. That would be considered unacceptable in this society, because those are the kinds of questions that we allow people to make of their own choosing.

By specifically excluding sexual orientation and by specifically stating that the code will prohibit all those areas of discrimination that are legally prohibited by law, this government is saying in effect that to discriminate against people of a different sexual orientation in this province is legal and is an acceptable form of discrimination.

The use of the words "sexual orientation" cuts both ways. Similarly, one can have a situation under this law where a homosexual, or a person who prefers a homosexual to carry out a certain job, can deny employment to a heterosexual. Frankly, I disagree with both areas of consideration.

In my original determination to come out in favour of sexual orientation and to publicly state to this House that I would be proposing an amendment, not only in the standing committee but also in the committee of the whole House, I was somewhat concerned about the kind of impact that would have in my community. Although I sincerely believed in it, as any politician I have to consider the reality of the 1980s and the reality of 1981.

I have been tremendously heartened by the

reaction I have had, not only from my community, Hamilton, which comprises a broad spectrum of the province—we have people of all backgrounds, all working classes, all nationalities—and where I have received support and a tremendous boost, but also from across the province. I have received letters and telephone calls from people, saying, "Sheila, we appreciate the position you are taking, and we think you are a politician who has the guts to say what she believes in."

If I were to table in this House tonight the number of letters I have received on the other side of the coin, I am afraid most of the letters would be anonymous. I know there are some people who object to my position and who have approached it in a very reasoned, intelligent way. The people who have been prepared to sign their names respect the fact that I have taken a decision I believe in.

All we politicians here tonight, who may be making this decision based on what we feel to be the political repercussions, must also take into consideration the fact that the people of Ontario, in general, believe in the principle of equality. That is what we are talking about tonight.

We are not talking about according special rights to any specific group. We are not talking about singling out gays and saying we are for gay rights. I am for everyone's rights in this province. I believe in the rights of minorities. I believe in the rights of visible minorities. I believe in the rights of the majority.

I do not think we can say in this House or in the community that by acceding to the fact that one group should have equal rights, we are denying rights to any other group.

Basically, we are asking this Legislature and this government to create a climate where every person in this province feels he or she has equal rights or an equal chance to compete equally for a job or for accommodation.

8:40 p.m.

In the many briefs that have been brought before us—and I will admit they have ranged across all positions both in favour of inclusion of sexual orientation and against—some might have done a better selling job; others did a better selling job; but let us face it, those people outlined to us specific examples. You can start with John Damien and you can go right on down the line.

On this issue we have had adequate evidence in committee that there are very serious instances of discrimination in this province. That kind of evidence was brought forth in other areas some

years ago when the government took a position to make illegal discrimination against persons on the basis of colour. The government was able to react in a positive way and to accord people not special rights but rights that will make them equal to everyone else in this province.

In fact, that is the issue we are dealing with at the moment, the issue of equal rights for everyone in this province. To shy from this issue because we are afraid of the political consequences is certainly not the way to approach the problem. I will agree that within my own committee, and I would speak publicly here, there have been members like my colleague Jack Riddell who have spoken against the amendment out of a feeling that he cannot support my position because he does not believe in it.

I can respect his position because I know Jack Riddell is the kind of person who will vote for what he believes in. But I also know there are other members in this House who will vote tonight not on what they truly believe, not on whether they really feel that sexual orientation should be a prohibited ground of discrimination but who will vote merely for political expediency because they are afraid this vote may be used against them in the next election.

One reason I was publicly stating many months ago that I would introduce the amendment in this House was that it is important for all of us to stand up and be counted. Whether we are for it or against it, I think it certainly is an issue that should be before this House and that each person should have to stand up and make a statement on it one way or another.

I also think there will be some members in this House who will vote against the amendment simply because they are concerned and politically motivated. However I would urge those members to remember that in my situation, in the riding I have come from and the position I have taken, I have received positive encouragement from across the province not only from homosexuals, not only from lesbians, but also from those people who believe this should be a society where all people are treated equally.

When I had to stand up and speak those many months ago, I talked about the situation we faced in Germany in the Second World War and I talked about the kind of climate that would allow discrimination to happen. I said—and I think I have been supported by briefs across the broad spectrum—it is important to create a climate in this province where every person feels he or she can be accepted as an individual

without consideration for race, creed, religion, colour, political belief, language and finally sex and sexual orientation.

By deliberately defying one of the very recommendations that was made for this bill when it was first introduced as a discussion paper, by deliberately refusing to recognize how this issue is becoming a more and more difficult component in our society, the minister is saying he agrees this province should be allowed to discriminate against homosexuals on the basis of sexual orientation.

Even in the issue of employment, many of my colleagues have said they do not feel they can support the amendment because they are concerned about some employment areas—for example, employment areas dealing with children. But many of the amendments from section 1 to 5 don't even deal with the issue of employment. They deal with the issue of housing, they deal with access to public services. How can this government in conscience pass a bill that will deny homosexuals access to public services simply on the basis of their sexual orientation?

The minister is very specific about stating in the legislation the only areas of discrimination that are prohibited are those areas that are spelled out in this code. He has been very specific about that and that goes right down to the basic principle in section 1(1). "Every person has a right to equal treatment with respect to services, goods and facilities . . ."

We are not even talking about employment in that area. We are not even talking about accommodation. We are talking about a simple trip to the public library, the use of any other facilities that may be available on a public basis. Frankly, in that area, I cannot see how any member in this Legislature can actually say a person should be denied entry to a public library or a public facility on the basis of sexual orientation. To any thinking, feeling person in the 1980s who wants to create a climate of equal rights, it just does not make sense.

Speaking frankly, and I guess I might as well be frank, I think the reason this government has shied away from sexual orientation is not only because they personally are afraid of the issue from a political context, I think it is because they will make every effort in future times to use that issue to pit it against members in this Legislature.

I think if we are going to be totally frank about what this legislation is all about, it is talking about not only the people in the cities,

not only the people in Metro Toronto, or the people like the member for St. George (Ms. Fish) who are able to take a position based on their geographic location. We are talking about people who are out in the communities, we are talking about people who are out in the provinces, people who are very concerned about how this amendment can be used against them. I think for most urban people the decision to speak out on the issue of sexual orientation or to support it is certainly one that is much easier than for those who come from some other areas in the province.

I would suggest that other members in the Conservative caucus have the courage of the member for St. George to stand up and go against the trend in her party. She has stood here tonight and supported sexual orientation. Frankly, I hope she is able to convince other members of her caucus to take that position.

Mr. Boudria: Do not count on it.

Ms. Copps: I frankly think the issue goes far beyond a simple inclusion of sexual orientation. The issue goes into the politics of this province. In fact, this is an issue that not only can be exploited at election time, but it can potentially defeat opposition candidates.

I would like to proclaim publicly tonight my pride to be associated with a person like the member for Kent-Elgin (Mr. McGuigan) who in his own riding and in his own way took a position that was very courageous on behalf of his beliefs and his ideals. He is the kind of person we want in this Legislature, the kind of person who is prepared to step aside and to withdraw from political expediency and consider his principles and the kind of spirit and direction he would like for this province.

We do not want legislators who merely rule for the sake of staying in power. We want legislators who have a vision for this province, who want to see this province a better place for everyone.

I think if each one of us here tonight, and those who choose to stay away, will dig a little deeper into their consciences and into their hearts, they will realize that a law that brings into legislation discrimination against any segment of society, that legalizes discrimination on the basis of sexual orientation, that legalizes discrimination on the basis of political affiliation, that legalizes discrimination on any of those bases, is not a human rights code.

It is not a human rights code when you can actually say in a piece of legislation that we will only protect those people who are specifically

stated in this code. As to the rest of the people in this province, well, they can fend for themselves. This is supposed to be a code that protects the rights of every person in this province, not setting aside any other person's rights, because every person in this province should have the right to compete for a job. I am not saying every person is going to get the job; maybe there is a better-qualified candidate. But surely we should not make our choices in 1981 on the basis of sexual orientation, a characteristic that has no bearing on the ability to do a job, a characteristic that has no bearing on the ability to have access to a service or to accommodation.

8:50 p.m.

Frankly, Mr. Chairman and Mr. Minister—because I believe that in his heart of hearts the minister agrees with me—I am calling on him and his government to rethink their position, to restate their commitment to human rights in this province. I will say as a member of the opposition that there was a time when Ontario was the leader, not only across the country but around the world, in issues of human rights.

What have we come up with in 1981, four or five years after the infamous Life Together report? We have come up with legislation that basically legalizes discrimination against certain sectors in our society. I do not think, with all due respect, that this is an Ontario human rights code; it is a selective human rights code. And maybe the government should select the areas of the province where it will apply; maybe they should select the people who will be protected under this code. This is not a human rights code for all Ontario; this is a human rights code for some people in Ontario who happen to have a sexual orientation that is accepted by this government and by this Legislature.

I appeal to all members of the House on all sides to set aside political expediency. Believe me, if I can use my own situation as an example, this issue has not reared its ugly head against me in the political forum; if anything, even those people who may not agree with me have appreciated the fact that I have the courage of my convictions. I have received letters from the most unlikely sources, from people who said, "Sheila, we may not agree with what you are doing but we feel you are speaking up for people in this province who have not had protection in the past."

This government and this Legislature should take a position like that taken in the province of Quebec some three years ago. All legislators

there got together and said, "We realize this is a very volatile subject; we realize a government could use this to its own political advantage. So in the spirit of human rights in Quebec we will agree as a legislature to pass this legislation without getting into the kind of ugly debate that can pit people against people on the basis of sexual orientation."

If we look back to the appearance before the committee of the representatives of the Quebec human rights commission, the number of complaints on the basis of sexual orientation in the last annual report amounted to approximately two per cent of the work load. There has not been a tremendous flood of complaints.

I think the Legislature of Ontario should take this kind of progressive viewpoint and agree in toto that although we realize one party could use this issue against another we will not stoop to that level and that we will accept the principle that no person in this province should be discriminated against. I think the fact this has not been done can only betray the future intention of the government to use this issue against people and against parties. I know some of my colleagues in the Liberal Party are concerned about that issue for this very reason.

I appeal to this government to follow the example of Quebec, to set aside the kind of expediency that was at the root of the bathhouse raids in Toronto, to set aside the kind of expediency whereby rumours and innuendo are used to try to defeat members of the Legislature who stand up to speak for what they believe in. I beg all of you to set aside that political expediency and to support and amend this code so that it will represent human rights for every person in this province. Without this amendment, and others well be presenting, this code is nothing but a hollow shadow of what it should be and what human rights should be in this province.

I know the minister believes in what I am saying. I know there are people on the government side who in their heart of hearts believe sexual orientation should be included to create a climate for understanding across this province. I prevail upon all of you through the cabinet and the caucus to support this amendment, to renew the commitment you, as Conservatives, made to human rights many years ago. You have a chance now to continue to be leaders in your field in that area. Instead, you are opting for the easy way out.

I ask all of you to follow the lead of the Anglican and United churches, to follow the

lead of those people in our community who, although they realize there may be repercussions within their own ranks, are prepared to set aside their fears and to take a step forward to create this climate for acceptance of all people by all people in this province. If the minister takes that step, this will be a code of which we can all be very proud.

Mr. Di Santo: Mr. Chairman, I have to speak on this amendment because I think it is important for us as legislators to state our position. We should do so even though, as the member for Hamilton Centre said, it may be expedient for us to sit in our seats and keep a low profile on a volatile issue, one on which reactions in this House and outside are irrational rather than rational.

We are amending the human rights code in 1981, when we are bringing back our constitution to Canada. One of the main features of our constitution is the bill of rights. It is our duty as legislators not only to accept but to extend the rights to all citizens of this province.

The amendment proposed by my colleague, the member for Riverdale (Mr. Renwick), which is against discrimination based on sexual orientation, has been debated at length. I think the member for Hamilton Centre is rather naive when she says perhaps this issue will be used against us. Of course it will be used against us. She was not in this House in 1977 during the election when the members of the Conservative caucus went throughout the province accusing us of being soft on separatism. They will use this amendment against us in the next election, and so be it.

According to my conscience it is important that when we are amending the human rights code we give the same rights to every citizen in Ontario. The argument that has been put forward in good faith is that there has not been much discrimination based on sexual orientation, so why do we need to amend the code and insert a special mention of sexual orientation in the human rights code?

9 p.m.

My colleague the member for Riverdale explained very eloquently that if we do not include in the code a prohibition of discrimination on the ground of sexual orientation, we allow discrimination on the ground of sexual orientation. It is up to this Legislature to define the grounds on which discrimination is prohibited. The basis of our judgement should not be that there are or are not many cases. I do not

know of many cases. The member for Hamilton Centre mentioned that only two per cent of the case load of the human rights commission has been related to sexual orientation. I do not know that, but even if there was a single case I think we should make sure it was dealt with equitably and with justice, like any other type of discrimination that may be perpetrated in this province.

Those opposing this amendment are people who are giving in to stereotypes that are the result of misconceptions that go back for centuries. They are prejudices that existed in ages when enlightenment certainly did not prevail and when people were living in totalitarian societies that were intolerant of people who were not behaving as the majority did.

There are also people who think that by giving rights to people with different sexual orientation we actually are permitting the acceptance of cultural values that are not the values of the majority of the population. I think these are apprehensions that have no basis in reality. I would be very much opposed to the imposition of minority cultural values on myself if I did not accept them and I would fight them. But I think this is used to prevent people with different sexual orientation from ours being treated differently and being discriminated against.

Many examples have been brought forward by the member for Riverdale, the member for St. George and the member for Hamilton Centre. We have deliberations from educational bodies. I am not an expert in education and I cannot really comment on them one way or the other. We have analyses and examples given by people from the scientific community, but I really cannot say if sexual orientation is a choice or if it is determined by birth or before birth. But I do know it is our responsibility to ensure that every citizen in the province is treated not only fairly but equally.

If the government does not accept this amendment it is perpetrating an injustice. I think the Minister of Labour (Mr. Elgie) sits quite alone in that caucus. He knows I respect him; I think he is a progressive and open-minded person. Surely he realizes this is one area where progressive people can be counted.

I want to tell the minister it is not an accident that the people who are opposing this amendment, and who are therefore for discrimination on sexual orientation, are the people who agree with the proposals of what is called the Moral Majority. That group of people and the proposals they put forward have been rejected by the

great majority of people who act using reason rather than emotion. None other than Senator Barry Goldwater, who has been a champion of conservatism in the United States, said he found Moral Majority repulsive.

Even at this late hour, I think the minister should consider accepting this amendment because it will be seen four or five years from now as a gesture of open mindedness. If he does not accept this amendment the minister will sit with the reactionaries, with those people who have no sense of tolerance, who advocate a type of society and a type of government which belongs to the past, which does not belong to 1981 and certainly does not belong to the future.

I ask the minister to be tolerant and to express the concern that he talks about on so many issues and, by accepting this amendment, to promote a type of humane society of which he will be proud, like all the progressive people of this province.

Mr. J. M. Johnson: Mr. Chairman, I rise to speak against the amendment. Four members before me have spoken in favour of it and I would like to speak against it. I am a little disturbed by the remarks of the member for Hamilton Centre (Ms. Copps). I fail to understand why the member for Huron-Middlesex (Mr. Riddell) can take exception to the position she has taken and be credited with being politically brave and yet for other members, especially those in the Conservative Party, to take the same position is being construed as being negative.

I happen to support the member for Huron-Middlesex in his position and I do so not because of any concern for the government's position but because of my own personal convictions. I happen to believe this is not an amendment I can support. The member for Hamilton Centre has mentioned that we have to have the courage of our convictions.

I do not take any pleasure in standing up tonight and speaking against any group, if that is what it is construed to be. I do not think I am speaking against a group—I hope I am not—though it will definitely be twisted to come out that way. I am speaking on behalf of a group of people that I represent who have different convictions and different beliefs and I feel quite strongly about them. For that reason I cannot support the amendment.

It is my feeling that to accept this amendment would be in essence condoning, even advocating, a lifestyle that is completely unacceptable to the vast majority of the people in Ontario and

certainly a large majority of the people I represent. I was elected to represent the views of the people I serve and I think by standing here tonight that is what I am doing. Every member has a right to make a determination as to what he feels is the position he should take in every bill or amendment presented in this House. I hope I can make that position clear tonight.

I do not take any degree of pleasure in standing here. I served on the committee all summer. I served on the committee when we dealt with the clause-by-clause debate. I missed very few meetings and I did not take any pleasure from anything that went on in the meetings that was detrimental to any group in society. One thing we have to remember when we are dealing with human rights is that we are dealing with rights of all people. Some times by bringing in something that is of benefit to one group, we are taking away something from another group. This is the concern I have.

9:10 p.m.

We can argue whether it is right or wrong in this instance, but the fact remains that many people are disturbed by many things in this bill. We have to establish a bill that has the respect of the people that the bill is drafted to work with. If we bring in legislation that the people are totally opposed to, then that is the respect it will receive.

It has been mentioned that church groups support it. We have had different church groups present briefs stating they do support this type of amendment. I belong to the United Church, and the United Church conference, I believe from Hamilton, presented the brief saying they supported it. I checked with three of the ministers of the United Church in my riding and they were emphatically opposed to it. They said if a vote was taken of their congregation, it would come 80 to 90 per cent against.

I am not going to argue whether the conference is wrong or whether the congregation is wrong. But to my knowledge a vote has never been requested of the United Church congregation. Maybe some group came up with an idea of something that it should do, but certainly the average member of the United Church was, to my mind, not consulted. I stand to be corrected, but that is the understanding I have.

When this hearing started several months ago I made the statement the first time I spoke on the bill that it is an extremely delicate topic. It is an emotional topic. It is something that all of us should be concerned about, and I think all of us

are. No matter what we say, it can be misconstrued. I think the committee dealt with it on a level that was above reproach. All members expressed their views and concerns with a compassionate concern for the opinions of others. Most members of the committee would agree with that.

It is the same in here. It is not something we can heckle and discredit each other about because I think it crosses party lines. As I mentioned earlier, I take no pleasure in speaking against the amendment, because the member for Riverdale speaks with compassion and the member for Hamilton Centre does the same. They are stating their concerns because they believe in them. I give them credit for it. I think I should have that same right. I would not be here if I did not feel I should have the right to express the concerns, not only of myself but of the people I represent.

I do think there is a concern. It is easy to say we are going to discredit some members of the Legislature for voting certain ways. I hope that does not come about, because that certainly will not be a credit to anyone in this assembly.

I was concerned at the first meeting we had on the hearings of the committee when a gentleman by the name of Clayton Ruby appeared. He equated committee members, especially the Conservatives, some of the Liberals and rural members, of being of the calibre of some of the southern Legislatures during the civil rights movement in the United States. He equated human rights legislation and our opposition to certain amendments with the problems in Germany during the war and prior to the war—Nazi Germany—the treatment of the Jews. This is the type of debate that does not add anything. It discredits the people who bring it up.

I was extremely disturbed by his remarks. I do not feel we as legislators should be subject to that type of abuse. It is something people have a right to say as they present their opinions at the hearings, but it certainly does not add to the cause they are trying to sell.

I do not want to get into a prolonged debate on this. I want to mention a couple of other points. First, in England a couple of months ago I met with people from the human rights commission and asked them about this problem and how it related to their legislation.

They said they did not have any legislation pertaining to this and they did not have any problem. They said it was a North American phenomenon and was related to San Francisco and the problem in that area. I do not totally

accept that. I think it goes beyond that. I know there certainly are problems in Metro and some of the larger centres. Somewhere between England and San Francisco is the happy medium.

I would not condone any type of legislation that discriminated against any types of people. At the same time, I cannot condone drafting legislation that advocates a lifestyle which is unacceptable. It is hard to get into this without getting into some areas I dislike bringing up, but I will mention one area of concern.

We had a presentation from the Catholic separate school system that basically said they would refuse to accept homosexuals in their teaching classes. They even went further than that, but we will just take it in the school system. The public system would appear to be open to accepting types of people who are not acceptable to another group in society.

Are we creating two types of school systems in Ontario? I am not saying we are, I am simply asking a question. It is one of the questions that concerns me when we start talking about making changes in the legislation. It is areas like this we do not get into. Many people say it is not a problem. Yet we look at section 18, which we will come to later, dealing with the separate school boards and I do not know of any member in this assembly who has suggested we change section 18. If we do not change section 18, are we then creating two school systems in Ontario? If we are, it is a concern of mine.

I have a couple of other points to mention but I think many members would like to speak. I have talked enough in committee. I hope all members will consider this goes beyond party lines. That has been expressed tonight by members from the three parties speaking in support of it. I happen to be the first member speaking against it. I hope when we respect the members speaking in support of the amendment because they have beliefs and convictions, we will respect other members who have to speak against it for the same reason.

Mr. Chairman: Just before the member for Huron-Middlesex speaks, I want to mention it has been a long time in my estimation since we have had such a dignified debate on an amendment to this bill. Acting as chairman, I do not want to be specifically harsh in terms of interjections. I do not mean to be. I am at the whim of the members, but under the conditions of the seriousness of the debate I will try to carry out the tone that the House has seemed to settle into this evening.

9:20 p.m.

Mr. Riddell: Mr. Chairman, I have always thought you were a very reasonable and considerate person, and we want to express our appreciation for your very kind consideration.

I also want to commend my colleague, the member for Hamilton Centre for the very convincing argument she has continually made regarding this amendment to include sexual orientation in this bill. I hesitate to get up to put up a counter argument with her. I think the member for Hamilton Centre has real leadership qualities. Would you not agree with me, Mr. Chairman?

I do think she did a little disservice to the members by suggesting that the members are going to vote according to their political attitude on this, and not for what they firmly believe. I do not think that is the case.

I know this party is going to have a free vote on this matter. I would think the NDP might do the same, although I am not sure, and I would hope that the Conservatives would allow a free vote on it, because I am convinced there are Conservative members over there who strongly support the inclusion of sexual orientation in this bill. It is going to be very interesting to see what happens over there, and to see who absent themselves from the vote when it is taken. If we really want to follow the democratic process, I think there should be a free vote on this matter whenever we get to that particular stage.

My colleague indicated that a lot of the correspondence she has been receiving has been strongly supportive of the inclusion of sexual orientation and the correspondence has been signed. She suggested the correspondence she has been receiving from those people who are opposed to it is not signed because they prefer to remain anonymous.

I am going to tell her I have just as much correspondence opposing the inclusion of sexual orientation and opposing other sections of this bill as I have from those who are rendering support. I really think it is the job of elected people to speak up for those who are expressing a view. I would be most disappointed if I saw nothing but members standing up speaking in favour of the inclusion of sexual orientation because we may have a gallery of people who are looking for that kind of support.

It may happen that some people have to muster a little bit of courage to stand up and speak for those people who may not have the opportunity to come here and make their views known, or did not have an opportunity to come

to committee. They are contacting us and they expect us to speak up for them and for some of their convictions.

I receive letters; here is a very lengthy one and I want to read part of it. It is from a business person in rural Ontario. Just to show that some of these people do have real concerns about this bill, I will just read part of this letter from a businessman. He is a chap who has come through the road of hard knocks; his wife worked very diligently with him, lost her health and is now an invalid because they tried to establish a business through bad times. Now they are wondering what on earth is happening to them.

I quote: "Queen's Park tells me what I am to pay my help, what hours they are to work. When there is a public holiday I am to pay my staff to sit home; nobody pays me. When it is vacation time I have to provide my staff with vacation pay, but nobody provides me with any extra pay. There may have been a time when the worker was oppressed, but now it is people like me who are oppressed.

"On top of all this, I am now to be a victim of one of the most vicious pieces of legislation ever proposed in Canada. In the guise of ending discrimination, it does the very opposite. It discriminates against my right to hire the best people possible for my requirements. You are denying me the right to operate my business as I see fit."

In other words, he is saying to me that if somebody representing the gay community applies for job in his place of business and he turns that person down, he is very apt to be hauled before the human rights commission and all that that entails, which could mean a fairly substantial loss to his business.

He goes on: "If a prospective employee comes into my place of business and I say I hire only female help"—which he does, but he has a very good reason for doing so—"I can be fined, but if I lie and say that I hire both, I get off scot free. So in effect the law says it is okay if I am a liar. When the government pays my help, my taxes, my insurance, my rent, then it can tell me how to run my business.

"Do you not think that with 25 per cent interest rates, cut-throat competition, bankruptcies at an all time high, harassed by countless inspectors telling me how to run my business, regardless of the fact none of them could run a business from breakfast to noon, do you really think we need more laws, laws that discriminate against the people who built this

country, laws that take the rights away from the majority to give to the minority, laws that can only add fuel to the flames of racial hatred, laws so silly that it makes it a criminal offence to admire a pretty woman, laws that say the women of Ontario are so helpless, so incapable that the government has to look after them?

"I can't believe that only two men in the Legislature had the courage to take a stand against this dreadful bill." The two men he was referring to were none other than the member for Wellington-Dufferin-Peel (Mr. J. M. Johnson) and myself. "Why wouldn't every member be on his feet in rage? Whatever happened to the sane and sensible party of Leslie Frost and John Robarts?"

In other words, people cannot understand why the Conservative government is bringing in this kind of legislation. They fail to understand. "The wording of this letter may be strong but I like to think I have the courage to say it and if I do not stand up for my rights, one damn thing is sure, no one else is going to."

That is what I am trying to indicate here, that some elected people have to stand up for the basic, fundamental rights people thought they had from the days this country was first settled. I just wish I could read some of the letters I received from veterans who have been maimed, lost their limbs, and who refer to other veterans who lost their lives fighting for what they considered to be basic, fundamental rights and basic freedoms. Now they are telling us that in many cases they laid their lives down for rights that discriminate against what they thought they had fought for, favouring what they refer to as minority rights.

I personally do not believe that sexual orientation should be a basis of discrimination, provided fundamental human rights are not violated, and I think this is what many of the other people are saying. One of my concerns is the banning of discrimination based on sexual orientation in the hiring of teachers.

Mr. Martel: Huh.

Mr. Riddell: You can say "Huh" all you like. I am surprised that someone who has taught school would not stand up and have something to say about this matter too.

Mr. Martel: What about the female teachers who attack little boys? That's legitimate.

Mr. Riddell: I have been in the teaching profession. I know how certain attitudes and certain codes of behaviour can be advocated in the classroom. I think it is wrong for homosexu-

als to be discriminated against if indeed they are going to be working with people who have the maturity to make their own decisions. But I can go back to my elementary school days and I can indicate some of the unfortunate experiences I have witnessed and I have even experienced myself. This may be one of the reasons it is going to take a great deal more study before I could ever condone the inclusion of sexual orientation in a human rights bill.

9:30 p.m.

As members well know, the Toronto Board of Education adopted a motion banning discrimination based on sexual orientation. This means for many frustrated parents that in the hiring of teachers and in the role modelling that is involved there must be no support of parental concerns to encourage children to choose between the creative and the destructive in sexual orientation.

Dr. Ernest Marshall Howse, ex-moderator of the United Church of Canada, very pointedly and pungently said, "I am looking for the day when to be a discriminating person is not to be a monolith of prejudice but a connoisseur of excellence."

Surely parents have a right to expect the board of education, as required by the Ontario government, by both the ministry and the Ontario Human Rights Commission, to see that their rights are protected in the environment where their children are being prepared for adulthood. This is the point I was trying to make earlier.

There should be no discrimination against parents because they choose to affirm their responsibilities for raising their children. At present, parents in Ontario who are not satisfied with the secular approach of the tax-funded public school system are grossly discriminated against when they seek options compatible with their own family values and commitments.

Reference is made in the bill to family. It seems the concern about banning discrimination based on family has to do primarily with accommodations and does not reach into the areas that have to do primarily with what could be characterized as family orientation. Such a ban would protect the family from the imposition in the parental sphere of responsibilities of government agencies advocating values alien to those of the parents.

It is obvious, for instance, that to ban discrimination based on sexual orientation would be to force on parents, through the role model-

ling of the teachers in the classroom, the advocacy of a lifestyle that parents reject. In other words, are we not taking rights away?

I strongly support the human rights of everyone, and because of that I am concerned about the old saying, "Your right to swing your arm stops at the end of my nose." Obviously, the human rights of those most directly involved in the classroom, the parents, have to be protected from those who would exploit that classroom situation to impose an alien set of values or lifestyle on the children and the parents.

Some of the committee members—and the member for Wellington-Dufferin-Peel referred to this—have been offended by the well orchestrated and persistent hammering by the militant fringe of the homosexual community to include in this human rights code a ban on discrimination based on sexual orientation.

Such antifamily militants, in my view, do a disservice to the cause of the legitimate human rights of homosexuals. It makes my decision more difficult. I am prepared to defend the fundamental rights of homosexuals, but when it comes to the classroom or other areas in which parental rights are primarily at stake I find most offensive any suggestion that the law should give special privileges to a minority group whose common characteristic is that it has a chosen or learned behaviour or lifestyle such as the homosexual orientation.

Not only am I concerned about the classroom situation but I am also concerned about those persons, and we have them in rural Ontario, who find they are now single, who are living by themselves, who have a big home, who want companionship and who are prepared to turn that home into apartments. These people have a certain code of behaviour, they have certain moral standards, they have certain beliefs and they have gone through certain teachings of the church they belong to and which they have attended.

Now we are in the process of trying to include an amendment to this bill that would deny them their right to provide accommodation to the people who they feel more closely resemble their particular moral standards and their particular code of behaviour. I am concerned about these people and I am endeavouring to speak up for the rights of these people.

If it comes to a large apartment building owned by some corporation, I think it is a different matter. But when we are talking about a home that has been converted into apartments, run by some little old lady or some little

old gentleman who wants to provide accommodation to people whom they find desirable, then I do not think they should be denied those rights.

What it really boils down to is that if we could include sexual orientation in a bill with special concessions then I may have to give this matter reconsideration, but if it is going to be so rigid that parents are no longer going to have a choice as to who teaches their children in the classroom or if the person who owns a home and has turned that home into apartments no longer has a say as to whom he or she can rent those apartments, then I am afraid I cannot, at this time, go along with the inclusion of sexual orientation in this bill.

These are my views and, contrary to what the member for Hamilton Centre may have indicated earlier, they are shared by many people, some of whom I have discussed this matter with. I know if others had an opportunity to visit me or to send me letters or what have you they would also strongly support the stand I am taking.

I know this is a very weak counter-argument to my good friend the member for Hamilton Centre, a girl who, as I say, has tremendous leadership abilities. One has to really wonder if maybe this is not the girl who is going to defeat you people the next time around.

Interruption.

Mr. Riddell: However, Mr. Chairman, it has been a pleasure to have had an opportunity to take a stand on this bill and to support the views of those people who are very much against the inclusion of sexual orientation in this bill.

Mr. Chairman: Just before we listen to the member for Beaches-Woodbine, I would like to remind all members, including guests in the gallery, that under standing orders only members who have the floor are allowed to speak. No persons in the gallery are allowed to give any kind of indication or preference one way or another. I think in terms of tonight's debate it has been very dignified. I would ask your indulgence to honour all members who are speaking.

Ms. Bryden: Mr. Chairman, I rise to support this amendment because I feel a civilized society is a tolerant society. It is a society which says to our fellow human beings, "I may not like your religion, your culture, your political beliefs or your lifestyle, but as long as they are legal and not harmful to others, I respect your right to follow them."

I am totally opposed to sexual exploitation of anyone—men, women or children. There are laws against this and I believe they should be strictly enforced, but sexual expression which is not prohibited by law should not be a ground for discrimination in this province. Sexual orientation should not be a reason for refusing a job or housing or access to public facilities to any person.

I do not believe we can accept a new human rights code that allows a continuation of this kind of discrimination. It has cost many individuals loss of jobs, loss of promotions, refusal of housing. It has forced some to adopt a life of deception or silence about activities which are legal. It has made many persons subject to blackmail. It is a denial of human rights to permit discrimination to continue on this ground.

If we want a human rights code that is really a human rights code and guarantees the rights of all persons in our society, we cannot omit this kind of discrimination from the code. I urge all members to support the amendment.

9:40 p.m.

Mr. Williams: Mr. Chairman, this issue is not new to this Legislature. It is one that has been under debate and discussion for some time. Since I came to this Legislature in 1975 it has been a timely topic throughout that period.

I have had the opportunity to participate in this debate with other members of this Legislature, some of whom are no longer with us, notably the former member for St. George, Mrs. Campbell, who on more than one occasion introduced either a bill or a resolution on this subject in this Legislature during private members' hour.

That member was supportive of the concept of sexual orientation being given legal status and written into the laws of this province as a special status for a certain select group in our society. On the two occasions that member introduced the topic to the Legislature for debate, I participated in the discussion openly, frankly and with the same conviction and feeling as did that member and others in this Legislature. That is the situation here this evening.

As I view the circumstances with my personal convictions, my own perceptions and views have not changed from that day. I do not anticipate they will change in the future nor have they differed from time immemorial.

There is a basic principle and fundamental basis on which I oppose the amendment before us this evening. I would point out there is one

thing in common within the section being debated this evening as to the matter of discrimination. All the circumstances under which discrimination shall not be practised relate to the basic conditions of man as contrasted with man's human behaviour.

We need only look at the subject matter within the section and the areas within which it will be prescribed by legislation that discrimination shall not occur. That relates to the situation pertaining to one's "race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, age, marital status, family status or handicap."

These are all basic conditions over which we have no control and by virtue of which we are born into this life in many instances, albeit physical or mental handicaps can arise through one's lifetime. Also, we can be selective as to whether we will remain in a married or a single state. But that particular status which is recognized in the section is the very basis on which our society is founded and from which it grows and prospers.

The new element contained in this amendment introduces a new consideration. As I indicated in those debates and as I reiterate here this evening, with regard to consideration of sexual orientation we are not speaking so much about the basic condition of man as we are about his behavioural attitudes. I suggest if we are going to single out one particular human behaviour this bill is going to be totally inadequate. I could spend the rest of the evening singling out many other special types of human behaviour that perhaps are equally deserving of some type of legislative recognition and condonation.

Why should one group in our society with a very special type of human behaviour be singled out and given a special status when no other special group or organization with other peculiarities, if I may use that term with respect, is given the same accreditation and acknowledgement?

I suggest there is a certain degree of convoluted thinking in the suggestions and comments made by the member for Riverdale when he suggests that because sexual orientation is not in the bill those who have certain preferences in this area are therefore discriminated against. There are many groups who will not be mentioned in this bill. Surely they too will be discriminated against if somehow this group is different and apart from others who have

particular traits or something different from what we consider as the majority situation as far as behavioural patterns are concerned.

It was interesting to listen to my colleague the member for St. George who homed in on an argument that has been made in the past, that is that a homosexual is not a homosexual by choice. I suggest she has chosen this argument because using that argument tries to bring the justification for its introduction into the section under the very basic terms that I say are the ground rules under which recognition should be given in the bill; namely that there should be no discrimination if it relates to man's basic condition—the human condition of man and not his behavioural attitudes.

That member suggested the propensity is there before the person is even born into this world and is somehow preordained so to speak within the human foetus, although there are many people who in this day and age will not even accept the legitimacy of the fact there is human life within the foetus before birth.

It is a very emotional and very personal issue. Without question it is a very sensitive issue and one that involves the testing of one's moral conscience. People can make the argument on a scientific basis, on religious or moral grounds, as other speakers this evening have chosen to do. I respect each and every one of those very personal views that have been put forward, as I would hope those listening to me express my views would respect my opinions although they do not necessarily agree with them.

That is the strength of our democracy. As the member for Huron-Middlesex said, it would be inappropriate if only one point of view was put forward in this Legislature this evening on an issue so fundamentally important—a societal issue that is certainly one of the most emotional and, for those of us who look at it from a moralistic and religious point of view, also one of the most fundamentally important issues to come before this Legislature in recent times.

9:50 p.m.

My colleague from St. George used scientific bases for rationalizing the argument that these people must be given special recognition because of their lifestyle. I do not accept that as being the reason for taking on this attitude—that for this reason alone they should be given this special status. In past debates in this House I have quoted from equally illustrious experts in the field. On more than one occasion I have quoted from learned authorities in the American Journal of Psychotherapy pointing out that

in their scientific point of view one can identify or label homosexual attitudes as a form of illness.

We can quote from many who approach the subject from a strictly moral point of view. I think I would be inclined to support those who suggest the proposition put forward which states that wilful homosexuality is not a question of responding to a physical maladjustment, nor is it evidence of a mental disorder; it is a deliberately willed, wrong choice in the natural moral order.

Consequently, all the empirical studies showing that homosexuals are not maladjusted and do not suffer mental problems prove nothing at all other than that homosexuality is not a disease, although scientists suggest it is a form of illness. Moralists go on to state homosexuality is a moral aberration. I suppose that is the bottom line for those who look at it from a moral point of view.

Whatever your reasons for opposing or supporting the amendment I agree with all of the other speakers: it is an issue that could and should come down to one position, that of personal conscience.

One of the previous speakers suggested that one of the insidious parts of this whole debate is the fact that those in the homosexual community who, because they have chosen this type of living, have embarked upon a militant course of action to persuade—I suggest perhaps more than to persuade, to try to impose upon—the public mind and conscience an attitude that somehow their sexual attitudes towards each other are a state of normalcy rather than abnormalcy.

We understand this has to be the most difficult consideration people who have chosen this lifestyle have. Whether it is a matter of conscience, a matter of personal guilt, or whether there is no such feeling there, they certainly feel excluded from the community at large, for the obvious reason that they are not part of the broader, more conventional community.

I have no personal animosity against those who have chosen to live in this way, as other members of this House have also stated. The laws of this country are such that, in 1969, homosexual activity was removed from the Criminal Code in terms of permitting homosexual acts in private between consenting persons of at least 21 years of age.

The real concern I have is that we would appear to be practising reverse discrimination if

we were to single out one special group in this society—this tolerant society as we have been labelled by other speakers this evening. While the person who used that term was making an argument different from the one I am presenting here this evening, I do agree you will find nowhere on this earth a more tolerant society than we have here in this our own country of Canada, including tolerance towards those labelled homosexual. They feel a sense of discrimination against them because they are different. I think any people who are somewhat different feel somewhat insecure and have a feeling of being discriminated against, because they think or act differently from people in the mainstream of society. Whether in fact that is the case is another thing.

I was disturbed when I heard the member for Huron-Middlesex suggest—and I think he made a number of the arguments I have made, certainly along the same lines—suggest in his concluding remarks that on the one hand, while he was so strongly opposed on moral grounds, I presume, to the introduction of sexual orientation into the legislation for the reasons he had cited, he did add a qualifying remark that perhaps, on the other hand, he could accept sexual orientation if there were special concessions made.

That is an interesting argument one could make. I would have been interested in having the member develop that argument in the line of reasoning to fully understand and appreciate under what special circumstances he felt he could accept sexual orientation; that is, to reject it except in special qualified cases. It would be hard, in my mind, to rationalize the argument that it is not acceptable on moral grounds as being against the conventional morality, and yet to find that, notwithstanding, in some areas of our society it would be acceptable and treated with an element of normalcy.

10 p.m.

In conclusion, I think it would be wrong for government to legislate a special status for a special group in our society in our human rights legislation which deals with matters of human behaviour. If we start with one, we have a long way to go. If we start with one, I suggest there could be others it would be more appropriate to start with than that minority group within our society to which the term “sexual orientation” is related.

Many people argue we should not make laws that moralize, preach or set certain standards in our society. Yet those who make that argument

the strongest seem to be the ones who support the inclusion of sexual orientation within this legislation which seems to be contrary to the convictions they hold.

It would be inappropriate and wrong for government to give this special recognition and condonation in law in a formal way to a morality that is not recognized in this society as being conventional. It is on those grounds that I conclude my remarks.

I state these views with as much sincerity, personal conviction and feeling as the other members in this Legislature. I look forward to hearing from other members who will also want to express their views on this most important and sensitive issue.

Mr. Boudria: Mr. Chairman, I will not speak at great length, because a lot has been said already. I notice the member for Sarnia (Mr. Brandt) applauding. I certainly would like to hear his comments. I am sure he will speak up with great eloquence as to what he thinks of this amendment. We are all looking forward to hearing him.

Mr. Cooke: With elegance?

Mr. Boudria: Eloquence, I said.

Mr. Chairman, before we start, we are freezing in this part of the Legislature at this point. Maybe something could be done about the heat and then we might be all right. The honourable member to my left and I were just indicating that tomorrow we will bring our snowmobile suits.

Speaking to the legislation, Mr. Chairman, because I know you are going to bring it to my attention soon if I do not start speaking on it, on May 19 I spoke on the second reading of this bill. I want to reiterate some of the things I said then.

Before I do that, I want all members to know that I represent a rural constituency as do many of the other members of this Legislature. As such, I have some concerns that are not expressed as openly as in more urban ridings. Having said that, a few days after I spoke on second reading on this bill, the whole issue made headlines in the local weekly in my riding.

Upon reading the newspaper *Le Carillon*, from Hawkesbury, I was a little concerned, because in bold headlines it clearly enunciated my position on this topic. Because I was in favour of this amendment and because the newspaper said so, I was concerned that I would have to listen to approximately a thousand telephone calls telling me I was not doing the

right thing. That did not happen. As a matter of fact, I have received exactly zero phone calls on the subject.

This may illustrate that some members may be overreacting to the public pressure they think they have on them to vote against this amendment. My own experience is that the public pressure is not there; at least it was not in my constituency. I think the people in my riding and all across Ontario are tolerant people. They are not being asked here to advocate a particular lifestyle; they are only being asked to tolerate others.

As a member of a linguistic minority in this province, I can understand why others in certain minority groups would feel they need protection, why they would want to have discrimination against them prohibited by legislation. The minority I belong to is very different from that minority. Nevertheless, I do feel that some of the concerns this minority has are similar to those of the minority I belong to, because we have on occasion been placed in circumstances that have been unfair, and for that reason I think we should support this amendment.

Other members have referred to the fact that the province of Quebec passed similar legislation a number of years ago and that through agreement among all parties the subject never even became one of controversy; it was simply passed and no one even brought it up.

I suggest to the minister now, as I did in committee, that had this clause been in the original piece of legislation, the whole discussion we are having now would probably never even have started. Everybody would have looked at the legislation and said, "You cannot discriminate because of colour, ethnic origin, citizenship, sex, age, marital status or sexual orientation. I suppose we cannot discriminate against anyone." Fine. We would have gone on to another clause.

We are not discussing this particular amendment because it is the most important amendment of this legislation; we are discussing this amendment because it was omitted. That is why it is here.

I to suggest to you, Mr. Chairman, that the original legislation as drafted by the minister probably had that clause in it. I know the minister is very progressive, and I assume he would stand for equal rights for all. But I can just imagine him walking into the Tory caucus—or even a Tory cabinet meeting, for that matter—with legislation that prohibits discrimination on

the basis of sexual orientation. Putting myself in the minister's place on that particular day, I can just imagine that I would have been booted right out of the cabinet room or the caucus room or wherever he presented this legislation with what I presume was that clause in it already.

Hon. Mr. Elgie: What are you smoking?

The Deputy Chairman: Order.

Mr. Boudria: The minister is asking what I am smoking. I am not high, Mr. Chairman. I am actually giving credit to that minister for being very progressive. Perhaps he is not. I am sorry if I thought more highly of the minister than I actually should.

Mr. Brandt: Oh, no. He's progressive.

Mr. Boudria: The honourable minister's parliamentary assistant is saying he is progressive, but he just admitted to being regressive.

10:10 p.m.

We are not advocating that particular lifestyle; we are not being asked to do that. We are not being asked to approve of that lifestyle. We have been asked to do none of those things. We are only asked to tolerate other human beings and to treat them with dignity. We are only told that each person is worth as much as the next.

I understand we did not go over the preamble at the beginning. I was not in the House at that time; I was on another committee, the committee on the Ombudsman. But, having come in late, I have been made aware that we did not go through the preamble. That is interesting, Mr. Chairman, because had we done that, we perhaps would have paid a lot of attention to the second paragraph of the preamble. I will read just the first few words: "And whereas it is public policy in Ontario to recognize the dignity and worth of every person . . ."

That is part of the preamble of the bill. If we recognize that preamble—perhaps the minister does not and wants to amend it later—about recognizing the dignity and worth of every person, then why is there such reluctance on the part of members of this Legislature to accept that amendment?

It is totally incomprehensible. I am one of those people who believes that if we allow discrimination for whatever reason, we all lose. If discrimination is selectively permitted by an exclusion in this case, it is subliminally encouraged. I do not believe that as legislators we can tolerate that kind of situation.

I heard some member—I believe it was the member for Downsview (Mr. Di Santo)—state that perhaps this could be used against those of

us who support this amendment in future elections. I hope that is not the case, and I am appealing to all members of this Legislature to do two things: first, to show up for the vote on this matter, not to escape; and, second, to vote according to their conscience on it and not try to make political scores either one way or the other.

As members will understand, I do not have much to gain in my own constituency by standing for this amendment. It is obvious that if it were to be used against me, and I pray it is not, I would stand to lose much rather than to gain. Nevertheless, I am speaking in favour of it, because I am one of those people who believes I was elected to speak on behalf of the people of Ontario. I was given the opportunity on March 19 to replace a member who had not spoken in this Legislature for 11 years.

Hon. Mr. Sterling: That's not true. He spoke in 1979.

Mr. Boudria: That is true. He spoke in 1979 and, before that, in 1968. I challenge you to verify that in Hansard. It has been done already.

The Deputy Chairman: Please stay with the amendment.

Mr. Boudria: Certainly, Mr. Chairman. I was doing that, but I was provoked by the cabinet minister sitting across there.

As I was saying, I was elected to speak on behalf of the citizens of this province, and I am doing so. I feel that if it ever comes down to that point, and I pray it does not, I would rather be defeated and be right than be elected and be wrong.

Mr. Cooke: Mr. Chairman, I did not intend to enter this debate but I am doing it because I am genuinely confused after listening to the debate for the last 45 minutes.

I heard the member for Oriole and the member for Huron-Middlesex say the amendment of the member for Riverdale is providing special status for a group within our community. I simply cannot comprehend the reasoning in that, because when I read this section it says, "Every person has the right to equal treatment with respect to services, goods and facilities, without discrimination because of race, ancestry, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, age, marital status, family status or handicap."

Now if we were to follow the reasoning of the member for Oriole every single one of these groups would be getting special status. But that is not what this section of the bill does at all.

This section sets out guidelines for the people of Ontario, sets out laws and sets out, as principles of a civilized society, that we simply will not accept discrimination.

The debate here tonight should not be discussing the moral rightness or wrongness of being a gay woman or man. The debate tonight should be centred on human rights in this province. It was just a week ago this entire country was caught up in the debate on the human rights charter with regard to the federal constitution.

If one were to believe what was being said by the Premier, the Attorney General and the Minister of Intergovernmental Affairs of this province, by the Leader of the Opposition and by members of my party, I understood everybody in this Legislature believed everybody was born with equal rights and everybody was born with the right to equal dignity to live in this society.

As I hear the debate here tonight, I get the impression some people think there are exceptions to that rule. Today the exception may be the homosexual community. Tomorrow perhaps the exception will be people from eastern Asia. Maybe the day after the exception will be somebody else, whatever is politically popular. Maybe their rights can be taken away.

Again I say we are not talking about the moral rightness or wrongness of a particular group of people. If anyone is breaking the law in this province, surely he is going to be prosecuted. But if they have not broken the law, are following the federal Criminal Code and are living up to the standards set in our federal legislation, I cannot understand why anyone could stand up in this Legislature and advocate or accept discrimination, whether it be based on some fanciful, unrealistic impression of what the world is all about or whether it is based on what the member for Oriole tried to quote from some books.

I remember when I went through for social work at the University of Windsor. Going by some of my psychology courses, he must be reading books from the 1920s because he certainly is not up to date.

I have really been confused by this debate and I hope some members of this Legislature, including the Minister of Labour, will even at this late stage reconsider their positions and accept this amendment.

Mr. McGuigan: Mr. Chairman, when my leader asked me to assume the role of critic for human rights, I really wondered why I was

qualified or why he asked me. I suppose he did it because I had shown a good deal of courage in the matter of the business of discounts in the food business. I was the one who brought forward the evidence that led to the Royal Commission on Discounting and Allowances in the Food Industry in Ontario.

I took the job with a good deal of enthusiasm and found there were some 97 recommendations in the study *Life Together*, many of which have been addressed by this bill. But I found it to be a very difficult role because few were interested in 96 of the recommendations. The only thing the newspaper people and so on were interested in was this question of sexual orientation.

I shouldered the responsibility because I have always shouldered whatever responsibility the caprices of this world have brought upon me. I even spoke on the matter in a rural community and tried to lay out the problem before the people. There were no repercussions, no red-necked responses, as some people try to impugn is the character of rural people.

10:20 p.m.

In the election of 1981, the Tories ran a vicious whispering campaign against me and it was my habit—

Mr. Riddell: They are masters at that.

Mr. McGuigan: It was reported on CBC that night.

I reported each evening into my campaign office, as was my habit, and some of the younger people there were quite alarmed.

Mr. Boudria: What was your majority?

Mr. McGuigan: Not very much. I always said to them, "Do you believe those stories?" They said, "No." I said: "Neither does anyone else believe them. It only shows that the opposition is desperate. They know they are losing." And they did lose, too, in spite of the fact that—

Interjections.

The Deputy Chairman: The honourable member will address the amendment.

Mr. McGuigan: The man running against me was the son of a cabinet minister, a very wealthy man.

I supported the role that was mine as critic based on the theory of justice for all, a position anyone could support; but I must confess, as time went on I began to have personal doubts, largely brought on by the activities of militant homosexuals in such cities as San Francisco, where the homosexual community was not

content with justice. They wanted to go beyond justice; they wanted to set their own community standards.

I discovered there were many myths about the homosexual. I tried to read all these articles that have been mentioned and I do not believe the last word has been said on the subject yet. No one really knows, because there have been so many conflicting reports.

It is said homosexuals prey on children. Perhaps some do, but the literature all tells us that more heterosexuals are guilty of that offence than homosexuals. I believe that until the homosexual community itself, especially the militant section of it, comes to terms with the rest of society the things it is asking for in this amendment will simply not be granted to homosexuals by people such as myself, who were brought up with certain fundamental beliefs and precepts.

We simply find it unacceptable to our consciences and our ways of life. I hope in the future, if social scientists learn more about all our sexuality, whether heterosexual or homosexual, this problem will be able to be resolved and put behind us. I do not believe the present time is ready for it.

Hon. Mr. Elgie: Mr. Chairman, if I may just wind up and comment, I think the tone of the debate reflects the seriousness that all members have indicated with regard to this particular amendment. It is not an amendment or a topic that is without divisions in society nor without divisions in this House.

I say with the greatest respect, anyone who suggests expediency or opportunism or geo-

graphical location as reasons for taking certain positions is truly not in touch with the realities of the individual. To suggest that of the member for Oriole, the member for Wellington-Dufferin-Peel or the member for Huron-Middlesex is to do them a disservice just as it is to do others a disservice, to suggest they state their cause for any reason other than genuine feeling.

I will be very brief, and say it is my view that the positions members have taken here, particularly members of our party as well as members of the opposition, reflect a reluctance to indicate in legislation the positive acceptance or condemnation of a way of life that genuinely troubles and disturbs honest and well-motivated people rather than a lack of interest in the particular problem. I think to say otherwise is to deceive oneself.

For those reasons, the position of the government has been made very clear in the standing committee and we do not propose to accept the amendment as suggested by the member for Riverdale.

The Acting Chairman (Mr. Robinson): Mr. Renwick has moved that section 1 be amended by adding after the word "sex" the words, "sexual orientation."

All those in favour of Mr. Renwick's amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Amendment stacked.

On motion by Hon. Mr. Elgie, the committee of the whole House reported progress.

The House adjourned at 10:27 p.m.

ERRATUM

No.	Page	Column	Line	Should read:
111	3965	1	27	As I recall, this loan was for the Cambridge

CONTENTS

Monday, November 30, 1981

Committee of the whole House

Human Rights Code, Bill 7, Mr. Elgie, adjourned.	4043
Adjournment.	4063
Erratum.	4063

SPEAKERS IN THIS ISSUE

- Boudria, D. (Prescott-Russell L)
- Bradley, J. J. (St. Catharines L)
- Brandt, A. S. (Sarnia PC)
- Bryden, M. H. (Beaches-Woodbine NDP)
- Cooke, D. S. (Windsor-Riverside NDP)
- Copps, S. M. (Hamilton Centre L)
- Cousens, D.; Deputy Chairman (York Centre PC)
- Cureatz, S. L.; Chairman (Durham East PC)
- Di Santo, O. (Downsview NDP)
- Elgie, Hon. R. G.; Minister of Labour (York East PC)
- Fish, S. A. (St. George PC)
- Johnson, J. M. (Wellington-Dufferin-Peel PC)
- Martel, E. W. (Sudbury East NDP)
- McGuigan, J. F. (Kent-Elgin L)
- Renwick, J. A. (Riverdale NDP)
- Riddell, J. K. (Huron-Middlesex L)
- Robinson, A. M.; Acting Chairman (Scarborough-Ellesmere PC)
- Sterling, Hon. N. W.; Minister without Portfolio (Carleton-Grenville PC)
- Williams, J. R. (Oriole PC)



No. 114

Ontario, LEGISLATIVE ASSEMBLY

Legislature of Ontario Debates

Official Report (Hansard)

LIBRARY
DEC 11 1981

First Session, Thirty-Second Parliament

Tuesday, December 1, 1981

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Tuesday, December 1, 1981

The House met at 2:02 p.m.

Prayers.

STATEMENTS BY THE MINISTRY

LIQUID WASTE DISPOSAL

Hon. Mr. Norton: Mr. Speaker, I would like to advise the honourable members of measures I am taking to ensure that liquid industrial wastes in this province will be disposed of with even greater safety and efficiency.

Mr. Eakins: Let the record show there is not an NDP member in the House.

Hon. Mr. Norton: In a recent decision the divisional court found that the Ridge landfill site in Harwich township is properly certified by my ministry to accept domestic and other nonhazardous wastes, but because the original application for certification in 1970 did not specify liquid industrial wastes it was the finding of the court that the site is not certified to accept these wastes.

Mr. R.F. Johnston: We're here.

Mr. Bradley: There's all your supporters, Richard—right there.

Hon. Mr. Henderson: He is all alone.

Mr. Speaker: Will the Minister of the Environment please proceed?

Hon. Mr. Norton: As I have previously indicated I am concerned about this decision, especially the possibility that other sites now accepting liquid industrial wastes may be affected if this decision is applied as a precedent. The action I am announcing today will provide extra measures to ensure the operation of these landfill sites will continue with even greater security and environmental safeguards. While the circumstances of their certification and operation are not identical to those of the Ridge landfill site, I am convinced we cannot afford to risk the loss of facilities essential for the disposal of these liquid industrial wastes pending such time as an alternative treatment and disposal facility is established and in operation.

First, let me provide some historical background. Before 1970, municipalities, industries and, in some cases, individual operators developed

their own programs and facilities for waste management and disposal. What control existed fell largely to municipalities through zoning or public health powers. In 1970 the Ontario government passed controlling legislation, first with the Waste Management Act, then with the Environmental Protection Act, 1971. Under this legislation, and with the new regulations governing waste management, a continuing program of recording, certifying and improving or closing existing sites was undertaken, to be continued in 1972 by the newly-formed Ministry of the Environment.

This program dealt with all sites large and small across the province. Since 1972, according to ministry records, some 700 sites have been closed, most of them local dumps that were either inefficient or undesirable operations even for the municipal refuse they handled. In the process of issuing and updating certificates of approval, the remaining sites have been constantly upgraded. Where liquid industrial wastes or other special wastes were being disposed of in unsuitable locations these wastes have been diverted to environmentally sound sites.

In this process of certification, existing practices that produced no environmental problems were certified. Understandably in a certification process on this scale, some clerical oversights were almost inevitable. In the case of the Ridge landfill site liquid industrial wastes were not specified either in the original certificate of approval or in the operator's initial application for certification. There is, however, no question that the ministry and the local municipality were fully aware that this site was accepting certain liquid wastes. The practice had municipal approval before the ministry assumed responsibility.

In 1972 the law was changed to require mandatory hearings before issuing approvals for certain waste disposal sites or changes in waste disposal sites. The law requires a hearing for a change to accept liquid industrial wastes, for a change in the type or quantity of liquid industrial waste accepted and for a significant increase in the quantity of any solid waste accepted, including municipal refuse.

It is our present policy that major changes in

the nature or quantities of wastes handled on a landfill site should be reviewed publicly. However, we find ourselves in a situation where retroactive application of this principle could result in closing these remaining sites to liquid waste while such a review was under way. Losing these facilities, even for an interim period, could bring much of the industrial community to a virtual halt in this province.

The environmental soundness of these sites is not at issue. They are closely monitored and supervised by our regional staff to ensure proper operation. Without approved, acceptable disposal sites for liquid wastes we risk either shutting down industries or facing the prospect of illegal dumping in fields, roads and vacant lots across this province—perhaps both.

We now have only eight facilities to handle hauled liquid industrial wastes as compared with 23 that were operating 18 months ago. Some of these sites closed because there was no longer a local need for liquid waste disposal. On two sites, for example, the industries they served developed their own on-premises treatment facilities. Others found, after review of their operations with ministry staff, that it would be best to close their sites to liquid industrial wastes and divert the wastes to better alternative sites.

The sites that remain provide an essential industrial waste disposal service. To ensure they continue providing this service with full and proper environmental controls on their operation I am bringing them under a special regulation. Requirements to ensure even greater environmental protection to their communities will be set out under this regulation rather than under a certificate of approval, and these sites will continue their operations.

The operators of the Ridge landfill site have made a long-term decision to stop taking liquid wastes, and have filed application for a new certificate of approval based on accepting only domestic nonhazardous wastes at their site. Public hearings on that application began in September and may end in the very near future. In addition, since the court decision the company has been refusing to accept liquid industrial wastes at the site. The ministry has advised them to continue to refuse these wastes, and we are monitoring their operations to ensure compliance. Accordingly then, Ridge is not included in the terms of the regulation since there is no need.

2:10 p.m.

I would like to outline the major elements of the regulation for members as they apply to the eight remaining sites in question:

(A) For the purpose of their continuing operation, these sites will be controlled by a comprehensive regulatory system rather than by a certificate of approval which could require retroactively a public hearing process to adjust clerical errors in documentation;

(B) Strict operating conditions must be met by all sites.

(C) The amounts of waste allowed will be restricted to not more than 10 per cent above current levels.

In summary I will stress two points: First, I believe this action is required to ensure the operation of essential facilities will not be placed in jeopardy, thereby leaving us without adequate waste disposal for liquid industrial wastes. Second, I am confident this regulation will provide ongoing supervision and increased control to ensure these sites continue to handle and dispose of liquid wastes in an environmentally safe manner.

A copy of the regulation has been circulated with the copy of the text of the statement.

INDUSTRIAL MINERALS DEVELOPMENT PROGRAM

Hon. Mr. Pope: Mr. Speaker, I have an announcement with respect to the Board of Industrial Leadership and Development. It is my pleasure to announce, this afternoon, approval by the board of my ministry's program to encourage new employment opportunities and expanded production of industrial minerals within the province.

A total of \$7.7 million has been allocated over the next five years for grants of up to 25 per cent of approved capital costs to assist selected small, rural industrial minerals projects. Naturally before a grant is approved the project concerned must demonstrate its potential to meet market needs as well as its longevity and profitability criteria. Industrial mineral developments near Timmins, Matachewan, Owen Sound, Madoc, Kaladar, Kapuskasing and Perth are under consideration for grants.

Ontario is a major producer of such industrial minerals as salt, gypsum, and nepheline syenite, as well as structural materials of vital importance to our industries. In 1980, the value of production of metallic minerals and structural materials in the province was nearly \$776 million. Nevertheless many other industrial minerals continue to be imported due to the

lack of local availability. They are, therefore, prime candidates for domestic production and, subsequently, job creation by Ontario's minerals industry.

At present, developments of phosphate, silica, talc, potash feldspar, magnesite, mica, whiting, barite, certain building and ornamental stones, and kaolin are eligible for consideration. Additional industrial minerals will be considered if conditions warrant such action. These minerals are important raw materials for many of Ontario's industries. For instance, phosphate is vital for plant and animal growth, silica for glass, talc for paper-making and ceramic ware, magnesite for metal industry refractories, and kaolin for porcelain and paper products.

In addition, because these materials occur in abundance in our province we want to encourage their development. There are of course many other industrial minerals. Some may need a boost while others require no assistance. The incentives could be used to prepare ore bodies for mining, for the purchase of mining and processing equipment, for the construction of plant buildings and for other auxiliary structures.

Industrial mineral mines generally have vast reserves of high grade ore that permit production for many years. I believe seed money made available through BILD will encourage industrial minerals developments in Ontario that otherwise might be postponed or would not take place at all. The BILD program for industrial minerals can be most effective if grants are made available when a project reaches the financing stage.

In recent months, I have received inquiries from widely separated parts of Ontario about possible assistance for industrial mineral development. I am pleased to say the program is now in place, and I am eagerly looking forward to working with my colleagues in other ministries to ensure its implementation for the benefit of our great province.

ODOMETER ROLLBACKS

Hon. Mr. Walker: Mr. Speaker, I would like to take this opportunity to talk about my ministry's efforts to stamp out the number one consumer fraud in this province, odometer rollbacks.

As of today the joint investigation and enforcement team of the Metropolitan Toronto Police Auto Squad and our ministry investigators have laid more than 1,000 charges against 249 private and registered car dealers. So far 116 of those

charged in Toronto have been through the courts and our conviction rate, I am pleased to report, is 100 per cent. Regionally we have lost only one case.

It is also gratifying to note that the courts are dealing harshly with these offenders, imposing fines of up to \$10,000, jail sentences of up to three months and in many cases ordering full restitution. In one of our largest restitution cases a Leamington car dealer was ordered to compensate 13 consumers more than \$9,500 and was fined \$10,000 or three months in jail. These stiff penalties have made our job easier because they act as a deterrent to those involved in this illegal practice.

These statistics are even more impressive when one realizes the ministry's crackdown on spinners, as they are called in the trade, began only in November 1979. It was at this time the ministry recognized the problem had reached epidemic proportions and was costing unsuspecting consumers thousands of dollars every year.

A four-man odometer squad, made up of members of the Metropolitan Toronto Police Force and ministry investigators, was set up to combat the problem in Metropolitan Toronto. A two-man squad was also formed to work around the province. In August 1981 three more Metropolitan officers were assigned to the squad, making a total of nine full-time investigators.

The teams are based in the ministry's main office at 555 Yonge Street, which has a computer terminal linked to the main data base in Downsview where car vehicle ownership records are stored. The ministry also has records of all the licensed car dealers in Ontario on file.

It should be pointed out that Ontario is the only jurisdiction in North America to set up a specialized odometer team, and comments from the American Car Dealers Association indicate that the problem in the United States appears to be out of control. So our efforts as leaders in this field are being closely monitored and favourably commented upon.

But this is not to say we no longer have a serious problem on our hands. It has continued to grow despite the vigilance of our ministry and the police. The problem has been worsened recently by the high cost of financing and the rising price of new cars. These factors have driven up the demand for dependable low-mileage cars, making odometer tampering an even more enticing financing prospect for unethical car sellers.

Here is one example. A Toronto woman recently bought a 1975 car with 40,000 miles on it for \$3,000. The seller told her the car had belonged to her late father and she was selling it because it upset her to drive it. After the deal was closed the seller stood on the corner crying and waving goodbye. It was not until the woman had spent \$2,500 in repairs that she realized she had been cheated and reported it to the odometer squad. An investigation revealed that the car had been bought back from a leasing firm and that the odometer had been rolled back 40,000 miles. A Toronto couple was later convicted and fined \$5,000.

The biggest problem with detecting odometer rollbacks is the lack of physical evidence. It is almost impossible for an expert or layman to detect, even though the spinner has to take the dashboard apart to get at the odometer. A metal hook is then used to roll the numbers back.

The work takes about 15 minutes, and an expert spinner can charge up to \$100 per job. The seller can then turn around and tack an extra \$1,000 on to the price of the car. So you can see, Mr. Speaker, just how lucrative a proposition this can be. A used-car dealer with just 50 cars on his lot could conceivably add an extra \$50,000 to his profits by rolling back odometers.

Much of an investigator's time is therefore spent tracing a car's ownership history to establish if the correct mileage was recorded each time the car was sold. My ministry is also attempting to resolve this problem by educating consumers on what to look for when they buy used cars. We have sent information materials to every newspaper, radio and television station in the province in the hope they will make their audiences aware of the problem. We have also made experts available for interviews on speaking engagements if requested by the media or interested groups.

2:20 p.m.

ASSISTANCE TO BEEF PRODUCERS

Hon. Mr. Henderson: Mr. Speaker, I have a statement and I would like the pages to take copies to the Leader of the Opposition (Mr. Smith) and the member for Ottawa Centre (Mr. Cassidy) or the member for York South (Mr. MacDonald).

The members will recall last June I announced an emergency payment program for slaughter cattle and stockers. The funds for this emergency assistance amount to \$37 million which the government has allocated through supple-

mentary estimates. To date we have paid out nearly \$28 million to more than 5,000 Ontario producers of stockers and slaughter cattle. We expect the balance to flow by the year-end.

The remaining group in the beef sector is the cow-calf operators. These are the people who supply calves to the feedlot operators. They provide half the calves raised to market weight in Ontario. This makes them a fundamental part of our beef industry. Their contribution is even more important when current policies in other provinces are taken into account.

The other 50 per cent of calves raised to market weight in Ontario come from the west where some provinces are beginning to encourage producers to finish more calves in their province of origin. Our own cow-calf producers, therefore, may well have an even larger role in Ontario's beef industry.

To help retain our breeding herd, the government of Ontario will make payments of \$40 per cow to Ontario cow-calf operators.

[Applause.]

Mr. Speaker: Will the minister proceed, please?

Hon. Mr. Henderson: This additional assistance to the beef industry will be available for cows on hand as of August 1, 1981, provided these cows were bred in Ontario to produce a calf in 1981.

The minimum number of cows eligible is five and the owner must be a resident of Ontario. The deadline for applications is February 28, 1982. Forms are being sent to Ontario Ministry of Agriculture and Food extension offices today. These forms will be in our offices tomorrow morning and our representatives will be there tomorrow to help the beef producers fill out the forms and send them back to Toronto. Producers should watch their local newspapers for an announcement or call their agricultural representative for arrangements on filing an application.

There are about half a million cows eligible under this program. We expect the program to run to \$20 million. Combined with the \$37 million already committed to the slaughter and stocker sectors, this represents a \$57 million investment in Ontario's beef industry or the equivalent of about 10 cents a pound on 1981 beef production.

I might add we are going ahead with this payment in spite of the possibility the federal government may deduct it from its stabilization payments somewhere down the road. Our

producers need help now and we cannot stand by waiting for an overhaul of the federal stabilization programs.

It is Ontario's position, and it always has been, that there should be an adequate national stabilization program for national commodities and this certainly includes beef. If there were an adequate federal program, the provinces would not have to top-load or make emergency payments like the one I have just announced.

We in Ontario believe stabilization plans are an excellent idea, but we believe very strongly the time has come to overhaul these plans, to increase the support level and to speed up the payment procedures. Until that happens, individual provinces will have to make whatever arrangements they can to assist their farmers.

The government has received the report of the emergency task force established by the Ontario Federation of Agriculture. It contains a number of recommendations directed at the immediate farm credit problem, plus recommendations aimed at improving the longer term framework under which our producers must operate.

To assess these recommendations and bring forward a positive course of action for the government, we are establishing a high-powered action committee. It will consist of the deputy provincial Treasurer, the Deputy Minister of Agriculture and Food, the president of the Ontario Federation of Agriculture, plus an additional active farmer yet to be named. As well, Mr. Everett Biggs, the chairman of the task force, has been invited to participate.

Meanwhile, provincial officials are meeting the banking community to ensure that any Ontario response is practical and effective and calls forth their full support. Certainly it is clear from the task force report that co-operative action is required from all sides—from banks, from the government of Canada, from farm organizations, as well as from the province.

ORAL QUESTIONS

Mr. Speaker: The member for Kitchener-Wilmot.

[Applause.]

Mr. Speaker: I am sure we all like to recognize the member for Kitchener-Wilmot, but I would ask all honourable members to restrict their private conversations or else carry them on outside the chamber. It is very difficult to follow the line of questioning.

LIQUID WASTE DISPOSAL

Mr. Sweeney: I would like to address a question to the Minister of the Environment in the light of his rather incredible statement today. It seems to us the minister is saying that because his former approval processes indicate clearly the clerical ineptness of his own staff—I think those were his words—he is now going to replace this with a regulation.

Is the minister saying today that the approval process did not work in the past so he is going to scrap it? Are people going to be able to dump whatever they want on those eight sites and the minister will cover it with a regulation? Is the minister telling us that any future sites are going to be covered by a regulation, and the citizens of the area will not have any opportunity at all to participate in an approval process? Is that what the minister is telling us?

Hon. Mr. Norton: Absolutely not, Mr. Speaker.

Mr. Sweeney: In spite of his statement today, can the minister explain why the Syntath company in St. Catharines has already been given a certificate of approval to accept industrial and poisonous wastes? There was no public hearing at that time. This company now wants to move to a 12-acre site in the Thorold area. There is even the distinct possibility that this site and this company, Syntath, could be bringing in industrial waste from the United States as opposed to limiting themselves, according to the minister's statement, to domestic waste. What is the minister going to do in that situation or is he even aware of it?

Hon. Mr. Norton: I am, but I believe the member's facts are incorrect. With respect to the assumptions he is making, that by way of regulation there will be any change in terms of what is acceptable at any of these sites, that is totally incorrect. In fact if he reads the regulation appended to the statement he will see the regulation will impose upon these sites very precise and very strict regulatory control. It is more extensive than anything that has ever existed before in this jurisdiction and probably in most others.

With regard to the question of clerical errors in the past, that is what I said in the statement. Back in the early part of the 1970s there were clearly some clerical oversights, largely because of the volume of work being done as the new procedures were being put into place. The reality we are faced with today is that we must act responsibly to deal with this situation. That

is precisely what I am doing, acting responsibly both in terms of ensuring that the existing safe sites will be able to continue to receive the material, and also being in a position to assure the public even further that the sites are safe and will be safely operated under a very tight regulatory control.

Mr. Cassidy: Supplementary, Mr. Speaker: What the minister is really saying in his statement to the House is that there has been bungling within the Ministry of the Environment. It has taken place in the case of the Harwich dump over a period of 10 years. In all that time the Minister of the Environment of the day was not able or did not have enough concern to go and find it, but now the present minister has found it, he has suddenly discovered he has to be twice as tough in terms of the way he handles the liquid waste.

Mr. Speaker: Question.

Mr. Cassidy: What kind of treatment of liquid waste is that? What kind of confidence can we put in the minister's handling of liquid waste when for three and a half years this Legislature has raised questions about liquid waste and this bungling had not been discovered?

Mr. T. P. Reid: Are the same people in charge of the program or have they been promoted?

Mr. Speaker: Order.

Hon. Mr. Norton: Mr. Speaker, I can assure the honourable member he can put every confidence in my handling of this situation. Regardless of what his rhetoric may indicate and his perceptions might be of things that occurred a decade ago, the fact is we are dealing with it very responsibly.

If he has a creative alternative I would certainly welcome it. It is one thing to be able to sit with his arms on his chair and be sweepingly critical, but when one has the responsibility of actually making responsible decisions to protect the environment and the members of the public that is maybe not quite so easy. But I am not going to back away from that responsibility simply because he can sit over and there and take cheap shots.

Mr. Sweeney: Final supplementary, Mr. Speaker: The present section 30(2) of the Environmental Protection Act reads as follows: "At least 15 days notice of the hearing shall be given to the clerk...and such notice shall be published once a week for three consecutive weeks in a newspaper...where the waste disposal site is or is intended to be located...and published

at least once a week." That at least gives the public some protection, gives them some opportunity for public hearings.

Can the minister tell us, under this new regulatory process as he calls it, what protection the public is going to have in terms of knowing what the ministry is doing? Will they have the opportunity to know what is happening on those sites, and to make their own input? Will there or will there not be public hearings? How can the public be involved under the new regulatory process? It is one thing for the minister to say he is going to look after them, but let us face it, his record of doing so is not very good.

Hon. Mr. Norton: Mr. Speaker, I disagree with the latter part of the member's statement, of course. I think it is important he bear in mind that this regulation applies only to those existing sites that are set out in the schedule. There are eight listed in the schedule at the back of the regulation. They are sites which, in some cases, have been in operation for well over 10 years. They are not going to be authorized to receive anything other than what they have been receiving.

This will not apply to any new sites that may be seeking to apply for a certificate of approval. It deals only with these sites. As far as information on what is going into those sites is concerned, if anyone wishes to make that inquiry we will make that information available to them.

CONVERSION TO CONDOMINIUMS

Mr. Sweeney: A question to the Minister of Municipal Affairs and Housing, Mr. Speaker: I want to ask the minister about the condominium movement, which is particularly prevalent in Metro. The minister will be aware that apartment buildings at 790, 800 and 840 Eglinton Avenue West in the city of Toronto have become a test case in the condominium controversy. The minister is also undoubtedly aware that city council has appealed the Ontario Municipal Board decision to the Ontario cabinet.

Given the shortage of affordable rental stock in this city, where the vacancy rate is now less than half of one per cent—I think it is 0.3 per cent, to be exact—what precisely does the minister believe the government of Ontario should do to give some direction to the OMB, to the city council and to the people of the city of Toronto with respect to this whole question?

Hon. Mr. Bennett: Mr. Speaker, the municipality very clearly has the right to accept

applications for the conversion of apartment units from that use to condominiums and to review it. If its decision is to allow the conversion, then the governments of this province, and my ministry more specifically, will concur in it. If the municipality should decide not to allow the conversion, and that is its responsibility, then I say without any hesitation that the ministry has supported this position.

In the Eglinton Avenue case, if I recall correctly, the present owner has applied to the municipality with a new set of plans. The plans being submitted are in accordance with the present zoning of that property, and the municipality has issued a building permit for a new structure. In this case, the Planning Act very clearly states that a demolition permit will follow, and that is the responsibility of the municipality.

I know very well that at this moment the city is considering asking the Legislature to look at some special legislation, but I have not had an opportunity to see it yet.

Mr. Sweeney: Given the fact that hundreds and possibly thousands of people, not just in Toronto but in other municipalities as well, could lose affordable housing, whether rented or owned, through this type of conversion, and given the fact that the OMB, which has been asked to look into this, has indicated that it would like to have some statement of principle or some indication of general provincial policy, when is the minister going to develop a policy on conversion with specific guidelines to give some sense of direction to the municipalities and to the OMB on condominium conversions?

Hon. Mr. Bennett: Mr. Speaker, I just clearly indicated what the—

Mr. Speaker: The private conversations are taking place again. I have asked all honourable members for their co-operation. If they want to discuss private business, they should do so outside the House.

Interjections.

Mr. Speaker: Order.

Hon. Mr. Bennett: Mr. Speaker, I just clearly indicated to the member that the rate of conversion is the municipality's responsibility. We have very clearly indicated to the municipalities that under certain guidelines they should look at what the potential will be on a downside position if the conversion from rental to condominium is allowed to take place. I believe it is the responsibility of the municipality to assess

the situation very clearly and very correctly in their communities, and they have been doing that.

I indicated in this House some weeks ago, in answer to a question very similar to this one, what the conversions happen to have been in this province from about 1976 to the current year, and the numbers have not been very substantial. Indeed, in the last two or three years the number of conversions from rental to condominium has been reduced from what they were in 1976-77, 1977-78 and so on.

I do not intend at this time to start giving direction to the Ontario Municipal Board. When appeals are made to the municipal board, I think they will judge them according to the zoning of that community and the position the municipality has taken and listen to arguments from both sides and render a decision.

Mr. Grande: Mr. Speaker, I am sorry to hear that the Minister of Municipal Affairs and Housing has not yet made a decision on the legislation which the city of Toronto sent him about three weeks ago.

What advice would the minister give to the 40 tenants at 230-232 Heath Street in my riding, whose apartments are going to be demolished and who are going to be evicted on February 12 or 13, in the middle of winter? What advice would the minister give those people in terms of where they can find affordable accommodation in the \$300 range as opposed to building condominiums?

Mr. Speaker: Order. That is a new question, not a supplementary.

2:40 p.m.

Mr. Sweeney: This minister is on record—I believe it was about a month and a half ago—as indicating the average citizen should not expect to be able to own a home in the central part of Toronto. Does he not realize that, in the absence of some specific direction or policy guidelines from himself and his ministry, what he is probably saying, and will be saying months or a couple of years from now, is that the average citizen cannot even expect to rent accommodation in the central part of Toronto? Does he not realize that is what it is leading to?

Hon. Mr. Bennett: No, I do not realize that is what it is leading to. I quoted clearly and distinctly in this House, and I will repeat it again, that the conversions we have experienced between rental and condominium over the last number of years in no way, shape or form indicate we have a mass movement away

from rental to condominium, either in this city or in any other community elsewhere in Ontario; absolutely not.

The member wants to blow the thing completely out of perspective because there are one or two at the moment that are being converted. There are some rights to being a property owner in this province—

Mr. Cassidy: The minister of property owners; that's what you are. Give it to us some more.

Hon. Mr. Bennett: I said there are still some rights to being a property owner in this province. The leader of the third party can sit there and yap all he wants. He knows very well a municipality has certain responsibilities to look at the situation as it relates to that municipality and to make a decision.

I have a great deal of faith in a municipal council's ability to judge the situation in its community, whether it be Etobicoke or any other community in this province, and to render a decision. They know the guidelines my ministry has supplied them, and some have put them into practice. I think there are about 20 communities in this province that have already put those guidelines into practice in determining the rights, from a municipal council's point of view, of conversion—

Mr. Cassidy: The minister of speculation; that's what you are.

Hon. Mr. Bennett: The Speaker asked our members to please sit and be quiet; maybe the member would like to do the same.

Mr. Speaker: Will the minister ignore the interjections, please?

Mr. Cassidy: He's the minister of speculation.

Hon. Mr. Bennett: The member should talk about speculation.

Mr. Cassidy: You're the minister of speculation; you should talk about speculation.

Mr. Speaker: Order.

Hon. Mr. Bennett: I say very clearly again, that is a determination of the municipalities. We have offered them the guidelines. If there is a problem with zoning which allows somebody to convert, that is, taking an apartment spot, demolishing it and putting it into an apartment complex, then the municipality has a responsibility to look at the zoning.

Mr. Grande: On a point of order, Mr. Speaker: I do not understand why my supplementary was ruled out of order, since I am under the distinct impression it was exactly on

the question the acting leader of the Liberal Party was talking about. Will the minister answer my supplementary question?

Mr. Speaker: With all respect, it was not, in my opinion, a supplementary question but was, rather, a new question.

BILD PROGRAM

Mr. Cassidy: Mr. Speaker, I have a question for the Treasurer, who is also chairman of the Board of Industrial Leadership and Development. When the BILD program was announced back in the winter, almost a year ago, the announcement said the BILD announcements will launch Ontario upon a massive industrial expansion program aimed at creating jobs.

The Treasurer himself, in making his statement at the kickoff for BILD on January 27, said, "Our principal economic goals are to ensure growth and high job creation." He said, "Job creation is still the imperative of our economic policy." He said, "The resilience and diversity of Ontario's economy will continue to deliver strong job performance."

In view of all of those claims about strong job performance, will the Treasurer tell the House how many jobs will be created through BILD this winter as we go into what Statistics Canada has now called the most severe economic contraction in 30 years?

Hon. F. S. Miller: Mr. Speaker, as the honourable member knows, we had a program that was the predecessor to BILD. It was a specific program which assisted the expansion or creation of industries in Ontario through grants and other forms of subsidized assistance. He has often criticized the employment development board and the fund it administered. He has said the grants we offered to industries to create jobs, be they in the automobile industry or elsewhere, were not productive, that they did not help. We think they did. But at the same time we recognized that they were not part of an industrial strategy and that we should have one in this province. Therefore, we developed the BILD strategy.

The BILD strategy is building on the future on a medium- to long-term basis. The member has just heard my colleague the Minister of Natural Resources (Mr. Pope) make the announcement today aimed at making this province more independent of imports of non-metallic industrial minerals. The member will see, and continue to see, more projects of that nature. That creates jobs.

I was on a mine site near Kapuskasing a week

ago last Friday where money from that ministry today is creating not many jobs but a few jobs in the hope of delineating a major ore body so that we can cut down the importation of several million dollars' worth of ore a year and create jobs in that area, right in the Kapuskasing area. The member for Cochrane North (Mr. Piché) was with me. He has been a great promoter of that kind of thing. Right across this province one will see BILD at work doing that kind of thing.

Mr. Cassidy: The minister says that right across this province we will see BILD at work doing this sort of thing and lays claim for a project in Kapuskasing which could not have benefited under BILD since the announcement about the BILD grants for that area was made only today.

How can the Treasurer expect anyone to believe that job creation is the imperative of the government's economy policy when the contacts within the ministries for BILD, whom we have contacted diligently over the last few days, are not able to identify a single job that has yet been created as a result of the BILD program?

Hon. F. S. Miller: I am not sure the words "have not been able to" are the proper ones. The member has been asking for specific jobs. I have said many times it is the member's technique to complain about long-term measures not being used when we employ short-term ones, and vice versa: whenever we get into medium- to long-term prospects, the member wants to say, "What is happening today?"

BILD is a medium- to long-term strategy. Obviously, greater benefits will accrue in future years. The member knows that. He knows that as we create the auto parts technology centre, the microtechnology centre, the biotechnology centre, the IDEA Corporation, the mining machinery advisory board, we will be creating jobs in Ontario. Surely he should have confidence, as we do, in those programs.

Mr. Wildman: Mr. Speaker, since the Treasurer is talking about the long term, I wonder whether he will agree with regard to the 45 projects he announced, that for the 26 we have received answers on in terms of projected jobs, only 977 jobs are projected, outside of the Toronto convention centre, and 700 of those jobs are projected for the King Mountain project, which apparently is in trouble because of the loss of multiple-unit residential buildings tax benefits under the federal budget.

Hon. F. S. Miller: Mr. Speaker, let us look at one BILD announcement specifically. An important part of any industrial strategy is transportation. Will the member accept that? One can nod one's head. If the member accepts that, I point out that \$25 million was flowed in this current year for the improvement and speeded-up construction of major arterial roads. That will create a lot of jobs; they have been created this year, for example.

Mr. Cassidy: Mr. Speaker, I have a new question for the minister, since he says jobs are being created in the area of transportation.

Is the Treasurer and chairman of BILD aware of the situation at Allen Industries, a company that has been operating in Stoney Creek for 16 years and once had 1,200 jobs, where 1,000 people were working in November 1980, but which through indefinite layoffs is down to 320 workers today? These will be laid off to the tune of 100 more on December 4, all of whom will be laid off over the period from December 11 until January.

Will the Treasurer say what the BILD program will do to provide jobs for the 320 workers who will be laid off over Christmas and for the 700-odd workers who have been indefinitely laid off or have lost their jobs with that company in the course of the past year?

2:50 p.m.

Hon. F. S. Miller: Mr. Speaker, unless I have lost the gist of questions the honourable member's party has asked me day after day, this is becoming a form question each day. They are asking specifically the same question but with a different corporate name.

Mr. Wildman: That's because there is one layoff after another.

Hon. F. S. Miller: I am not happy about layoffs. The members opposite are not happy about layoffs.

Mr. Cassidy: But you're not doing anything.

Mr. Speaker: Order.

Hon. F. S. Miller: The fact remains, all of us need to look at the economics of some of those layoffs at times. It is a shared responsibility; it is not just mine, the unions', the companies' or the federal government's. If jobs are lost to another jurisdiction, we have to see why Canadian companies are not as competitive. We have to be willing to look at the situation objectively and to protect jobs in this country.

Mr. Cassidy: The minister says we have to protect jobs in this country, and he says that I

keep on asking what he calls a form question. I would like to know whether there is a form answer, beyond saying: "We have no responsibility. We are not going to create jobs this winter; why the devil would anybody ask about jobs this winter?"

In the course of the election campaign, when he stood as a candidate for the Progressive Conservative Party, the Treasurer promised a massive industrial expansion program, he promised that job creation would be the imperative of his economic policy and he promised continued strong job performance. In view of all those promises, why is it that he is now delivering the most massive program of deindustrialization that this province has ever seen?

Hon. F. S. Miller: The honourable member is now talking about the federal budget, and not about me, because that is exactly what the federal budget has been: a deindustrialization program by cutting out the confidence of the average Canadian investor and making him move his money elsewhere. That, to me, is a travesty in this country; it is something we should not be putting up with, and the honourable member knows it.

Even the members of the Liberal Party spent all weekend wringing their hands and saying, "It is time we told the feds that they are destroying Ontario's economy."

Mr. Mancini: Mr. Speaker, does the Treasurer not agree with me that one of the reasons BILD has become such a big failure is that it is a scatter-gun approach? The government has not concentrated on specific industries in specific areas. They seem to approve projects in a helter-skelter fashion. They do not seem to understand the underlying problems in the main industrial sectors of our economy.

Why does the Treasurer not reappoint the plant closure committee, which was carrying out some very good work to advise the government on which industries were being wiped off the economic map and on what courses of action he should take, so that the money he is spending in the BILD projects in a helter-skelter fashion can be zeroed in on the very important industries that are being economically ruined at this time?

Hon. F. S. Miller: Mr. Speaker, I hope my colleague enjoyed his speech, because that is what it was; it was not a question. The fact is that he is mixing apples and oranges. He talks about a plant closure committee in the same

breath as he talks about a BILD strategy; they are not the same thing, and he knows they were not even within my ministry.

Mr. Mackenzie: Mr. Speaker, in the case that has been raised by my colleague, is the Treasurer aware that there has been no communication between the company and the union concerning the difficulties the company is in; that workers in many cases have received only half an hour's notice of permanent layoff; that most senior workers being laid off now carry eight years' seniority and are without pension benefits and any severance pay that we are able to establish?

Is this part of the BILD program, this kind of treatment of workers when we have such a shutdown of a plant, and does it not make the case for justification and content legislation in this province?

Hon. F. S. Miller: Mr. Speaker, that question should be directed to my colleague the Minister of Labour.

Hon. Mr. Elgie: Mr. Speaker, I wonder if the member will repeat the question.

Mr. Mackenzie: I simply asked, Mr. Speaker, is the minister aware, in the case of the Allen Industries plant, that there has been no communication between the company and the union regarding the difficulties the company is in; that some workers on permanent layoff are receiving only half an hour's notice; that eight years' seniority is the average for those being permanently laid off; and that there are no pension plans and no severance pay involved?

Is this part of the BILD program, and does it not make a case for content legislation and for justification of plant closures?

Hon. Mr. Elgie: Mr. Speaker, the member knows full well that we have within our ministry a plant closure division and a director who, through a consultant or through his own staff, consults with industry with regard to closures to assess the justification for them.

He also knows full well that we have in this province measures with regard to termination of employment that are second to none in North America. We do not need to take second place to anybody in this country in terms of the concern we have over closures.

ALLEGATIONS OF POLICE BRUTALITY

Mr. Elston: Mr. Speaker, I have a question for the Solicitor General. I want to ask a question concerning the investigation currently under way by senior police officials into the allegations of systematic brutality by the holdup squad here in Toronto.

I understand witnesses are very reluctant to speak to the investigating officers who have been assigned to this task. In the light of the serious problem they are running into, is this perhaps not a very good reason for giving this difficult situation a public airing under the auspices of a public hearing?

Hon. Mr. McMurtry: I am sorry; under the auspices of the new public complaints commissioner? Is that the last part of the member's question?

Mr. Elston: A public inquiry is what I was asking for.

Hon. Mr. McMurtry: The information I have, while probably not complete, Mr. Speaker, is that the potential witnesses, the complainants, were co-operating with the police. This information was given to me a week or so ago by Mr. Linden in his capacity as our new public complaints commissioner.

Mr. Linden is monitoring the investigation. As a matter of fact, I will be meeting with him later today, and I will certainly bring the member's concerns to his attention; but I think at this time it is rather premature to suggest that a public inquiry would be in anybody's interest.

Mr. Elston: If the Solicitor General is suggesting that a public inquiry may become non-effectual because the inquiry itself will be rerouted through the provisions of Bill 68, can he guarantee to the members of this House that any hearings conducted as a result of the determinations of the public complaints commissioner will be made in a public forum? In addition to that, can he tell us when he proposes to move ahead with having royal assent to the bill that was passed here just recently?

Hon. Mr. McMurtry: I know Mr. Linden wanted to get some regulations drafted before royal assent was sought, and that is the reason for the delay; but obviously it is important that we proceed with royal assent as soon as possible. One of the purposes of the meeting this afternoon is to determine just how quickly that could be done.

As the member knows, under our legislation the public complaints commissioner does have a discretion with respect to ordering a hearing, and any hearing that is ordered will certainly be public if he is of the view that such a hearing should be held.

Mr. Breagh: Mr. Speaker, will the Solicitor General lend the offices of Mr. Linden or of his own ministry to any efforts made by Amnesty International to hold an inquiry of their liking into these allegations as well?

Hon. Mr. McMurtry: Mr. Speaker, Amnesty International is a very credible, important organization; there is no question about that. But as far as I am concerned, this is a matter that should be looked after locally. And I think it is a pretty good testing ground for the efficacy of Bill 68; obviously, I would like to give that procedure an opportunity to work.

3 p.m.

POLITICAL ESPIONAGE

Mr. MacDonald: Mr. Speaker, in the absence of the Premier (Mr. Davis), I have a question for the Attorney General. Has the Attorney General had an opportunity to read *The Good Fight*, the political memoirs of David Lewis? More particularly, is he aware of the revelations contained in chapter 12 on the Gestapo affair of 1945?

Is the Attorney General aware, for example, that documentation is now available, from the Drew and the Gladstone Murray papers in the Public Archives of Canada, that Drew not only misled the people of Ontario during the 1945 election campaign but also perjured himself in his testimony before the LeBel royal commission to the effect that he was unaware of the existence and operation of this political espionage unit?

What is the Attorney General or his government going to do to correct the official record of this Legislature now that the truth of the so-called Gestapo affair is known?

Hon. Mr. McMurtry: Mr. Speaker, we all have great respect for the late David Lewis; I am looking forward personally to reading his autobiography. But with the greatest respect to a very distinguished Canadian, I do not think, given the fact that none of the people who were directly involved is still with us, that these allegations are really an appropriate foundation on which to confirm or refute a very serious allegation.

Mr. MacDonald: Since it is now known, and documented in his personal papers deposited in the public archives of the nation, that the man who launched the nearly 40-year hegemony of the Tory party in Ontario not only tolerated the existence and operation of a publicly financed political espionage unit within the Ontario Provincial Police, which spied on the official opposition—surely an outrageous activity in a free country—but also used the unit indirectly, through Gladstone Murray and his political propaganda, misled the people of Ontario by

denying any knowledge of this political espionage in the 1945 election, which established the first majority government of the Tories, and finally perjured himself in testimony before the royal commission, thereby achieving judicial exoneration of his complicity—

Mr. Speaker: Do you have a question?

Mr. MacDonald: In view of all that, does the Attorney General not feel that the good name of Ontario should be restored as much as possible by clearing the record once and for all?

Hon. Mr. McMurtry: Mr. Speaker, my recollection of that period is simply that there was a royal commission and that it made it clear that the allegations which were made at that time were without foundation. The honourable member's predecessors paid probably what was an appropriate political price. There may be others who have subsequently disagreed with that, but I think we may be showing disrespect to a number of distinguished people who have gone to their great reward by attempting to turn this into a political football at this time.

EMPLOYEE HEALTH AND SAFETY

Mr. Gordon: Mr. Speaker, is the Minister of Labour aware that an employee at Inco's nickel refinery was subjected to excessive levels of nickel carbonyl at the end of October, that the employee was initially refused testing for nickel carbonyl poisoning by company personnel and had to be rushed to hospital in the first week of November suffering from nickel carbonyl poisoning, and that he has not been able to return to work since?

Will the minister bring the full force of the Occupational Health and Safety Act to bear on Inco to see that Inco begins to take seriously the occupational health and safety of the workers in the nickel refinery?

Hon. Mr. Elgie: Mr. Speaker, the member was good enough to mention to me minutes before the House assembled that he wanted to raise this issue, and I thank him for that.

My only personal experience with the nickel carbonyl plant was in visiting it in 1978. It is an up-to-date, modern plant built in 1970 or so, with automatic sampling and automatic warning devices built in. I have always heard, both from trade union representatives and from the company, that it was of the highest quality and standard.

But if the allegations the member is making about carbonyl intoxication or poisoning have indeed been made, he has my commitment that

an inspector and occupational health branch physician, along with any other staff that may be required, will carry out a full investigation of that allegation. If there are compensation aspects involved, they too will be followed up very carefully.

USER FEES

Mr. McKessock: Mr. Speaker, I have a question for the Minister of Health. I wonder if the minister could clear up this confusion over user fees.

I have a constituent from Meaford who came to my office last Friday who thinks user fees are already here. Last Wednesday, he received a hospital bill for \$10,000. His wife, who is 68 years old, has been in the hospital for one year and four months. She has had her leg amputated and is confined to a wheelchair, has had eight strokes within the last three years and has arthritis in her arms and hands. Her application for extended nursing home care has been approved. On August 1, this gentleman, who is also 68 years old, was told his wife was discharged from the hospital.

He immediately contacted every nursing home within 40 miles around and found no beds available. He then contacted his lawyer who told him to keep looking but not to take her out of the hospital. Last Wednesday, November 25, he received a bill from the hospital for \$10,000.

Are user fees already here? What is this man supposed to do with his wife, who is approved for extended care, and what is he supposed to do with the \$10,000 bill?

Hon. Mr. Timbrell: Mr. Speaker, obviously I do not make a snap assessment of an individual case. If the member would like to give me the particulars, I can have it looked into.

As regards the basic question, there is no confusion. There are some user fees already in existence for nursing homes and for chronic care, but we do not have user fees for required hospitalization. It may well be that there is some dispute between the physician and the hospital, and maybe the patient, as to whether the patient should leave the hospital. If the physician has in fact discharged the person, then it is no longer an insured service.

Mr. McKessock: What steps is the minister taking to provide nursing home beds so that this type of thing will not happen? Is the minister aware that Meaford nursing home has an extra 10 beds in its modern home for which it has never been able to obtain a licence?

Hon. Mr. Timbrell: I am aware, if it is the one I am thinking of, that when they built the facility they overbuilt beyond the limits of their licence in the hope that some time in the future they would be given approval.

Mr. Eakins: The need is there now.

Hon. Mr. Timbrell: We have been adding nursing home beds, which the member for Victoria-Haliburton very well knows, where the local need is demonstrated and where I have funds available in my budget. In fact, in the last two fiscal years I have had approval to add 1,000 nursing home beds to the system, which approvals I have granted. I hope in the next year I will have permission in my budget allocation to continue to do that where need can be demonstrated.

Mr. McClellan: Mr. Speaker, of those 1,000 beds, how many are already set up and in place?

Hon. Mr. Timbrell: Mr. Speaker, as of the end of August, as I told the member yesterday, 223 of those 1,000 were open.

Mr. McClellan: Way to go.

Hon. Mr. Timbrell: Thank you very much. The member just confirmed the validity of the old saying that sarcasm is not wit, but merely the babbling of a diseased mind.

CHARGES AGAINST JUDGES

Mr. Cooke: Mr. Speaker, I have a question for the Attorney General. I would like to ask the minister if he could update us on the situation in Windsor with Judge Henrikson and Judge Docherty. Could the minister indicate to us, since Judge Henrikson has already had his preliminary trial, whether he can make a commitment today that there will in fact be a trial and not simply a resignation without a trial? When will we get the results of the judicial review done on Judge Docherty so we know exactly what the situation of this case is in Windsor, which has been dragging on for a number of months?

3:10 p.m.

Hon. Mr. McMurtry: Mr. Speaker, with respect to the charge or charges against Judge Henrikson, the matter, as the member quite properly points out, has gone through a preliminary inquiry and the judge has been committed for trial. That trial will proceed. Any resignation would not interfere with the fact that the trial would have to proceed.

As far as the other judge is concerned, there were in-camera hearings by the Ontario Judicial

Council. These hearings are required by law to be in camera, and I think I will be in a position to advise the House within the next week as to the effect of the in-camera hearings. I am just not able to advise the House what the results will be at this very moment, but I expect to be in a position to do so very shortly.

Mr. Cooke: Could the minister indicate to the House why it is that in these cases where judges are involved with legal problems they are left on the payroll, whereas when members of the Ontario Public Service Employees Union are in similar circumstances they are cut off the payroll until their cases are heard? Why does the minister treat judges differently than he treats his unionized employees?

Hon. Mr. McMurtry: I think there are some procedures involving judges that are absolutely necessary in order to maintain the independence of that institution, that are, I think, appropriate for the judiciary. Certainly in the case of judges, if there are allegations the truth of which has to be examined, I think it would be very detrimental to the principle of judicial independence, a principle that is so important to a democratic society, if we did not keep the judges on salary, as the member put it, until the allegations are sorted out.

Mr. Breithaupt: Mr. Speaker, in the matter of Judge Henrikson, will the Attorney General advise us if, as a result of resignation, a change in plea occurs and a sentence is imposed, he will advise the House as to the terms and conditions upon which that matter may then have been resolved?

Hon. Mr. McMurtry: Mr. Speaker, I am not going to embark on idle speculation about idle speculation, with the greatest of respect.

ASSISTANCE TO BEEF PRODUCERS

Mr. Sheppard: Mr. Speaker, I have a question to ask the Minister of Agriculture and Food. How soon can the cow-calf operators expect their money? Before Christmas? I am sure a lot of them would like it before Christmas, if at all possible.

Hon. Mr. Henderson: Mr. Speaker, I showed a form here when I made the statement. We had our agricultural representatives in yesterday and made them aware of the process. For the ag reps who did not get in, those forms are being delivered to their offices today. It is hoped farmers will come to the ag rep's office any time after tomorrow morning and then he will assist them in filling in the form. Once an ag rep gets

sufficient forms, 10, 12, 15 or 20, he will deliver them to our office here at 801 Bay Street and 10 working days after they are delivered here, cheques will be delivered back to the ag's office. He, in turn, will phone the farmers. That way we hope the farmers will have them at least a week before Christmas.

Mr. Riddell: Mr. Speaker, how did he arrive at \$40 a cow when the Ontario Cattlemen's Association made a request for \$80 a cow if the farmers were to at least break even?

Hon. Mr. Henderson: Mr. Speaker, the honourable member knows our Farm Income Stabilization Act would have permitted \$17 per cow. We worked on many different sets of figures, but one figure we worked on was a 400-pound calf at 10 cents a pound, which is \$40.

Mr. Sargent: That's a lot of bull!

Hon. Mr. Henderson: All right, stand up and say that.

Mr. Speaker: The member for Windsor-Sandwich with a new question.

Mr. Pollock: I have a supplementary.

Mr. Breithaupt: On a point of order: The minister apparently has a supplementary, so perhaps it should be asked.

Mr. McClellan: Why doesn't he ask it himself?

Mr. Eaton: I have a supplementary.

Mr. Speaker: Order. The member for Hastings-Peterborough (Mr. Pollock) was on his feet.

Mr. Eakins: But you did not see him.

Mr. Speaker: You are right, I did not.

Mr. Sargent: That's not the way they rehearsed it.

Mr. Martel: Lorne, you read the question.

Mr. Speaker: Order.

Mr. Smith: If the minister arranges for several supplementaries, the least he can do is hear them.

Mr. Speaker: It was your colleague who drew this to my attention, with all respect. I assumed, in drawing it to my attention, he had the permission of the rest of the members.

Mr. Peterson: Is this a new question?

Mr. Speaker: No, it is not. You are out of order.

Mr. Peterson: I am not out of order. It has to go back to the original questioner.

Mr. Speaker: I am not changing anything. Are you going to make a speech?

Mr. Peterson: I would be very happy to.

Mr. Speaker: Just sit down.

Mr. Peterson: Tell us what the rules are.

Mr. Speaker: The rules will remain the same. I was co-operating with a member of your caucus, the member for Kitchener, who apparently does not have as much influence as I felt he had. The member for Windsor-Sandwich with a new question.

COBEX REMOVAL

Mr. Wrye: I have a question for the Minister of the Environment on the situation at the old Bendix plant in Windsor and regarding the herbicide Cobex. The minister will be aware that this herbicide has been at the plant for more than four months now and the transferring of the herbicide from leaking containers to larger and safer containers is still going on.

I want to impress on the minister the intensity of the concerns of the people on the west side of the city by telling him at the outset that I am going to be presenting a petition later today signed by some 840 people who are expressing those concerns.

What level of monitoring has the ministry been doing to ensure that this very dangerous and highly flammable herbicide is being properly and safely transferred to the new drums? Why has the transfer taken so long? When are these drums going to be removed from this plant and specifically under what conditions?

Will the minister give this House his assurance that officials from the Ministry of the Environment and from the Minister of Labour's department will be on hand to ensure that the containers are properly packaged on the trucks and that the trucks are moved as safely as possible so that the workers and the people in the neighbourhood have no risk of exposure to this very deadly herbicide?

Hon. Mr. Norton: Yes, Mr. Speaker, I am aware of the situation to which the honourable member refers. Staff from my ministry and the Ministry of Labour have been involved in the situation, in monitoring, supervising and providing advice on the safe handling of the material.

I understand it has taken rather longer than had been anticipated, partly because of special precautions that had to be taken with respect to safety. It is my understanding that at one point there was some concern about the pumping device that was being used to transfer the material from the smaller containers into the more secure and larger containers.

The procedure had to be interrupted pending consultation on what the best available machinery was to complete the transfer in a safe way. At present, they project the transfer to the new

containers will be completed some time next week, with the objective being to complete the safe transport of the material beginning in the week of December 7.

I can assure the member everything that can be done will be done to ensure not only the safe handling of the material during the balance of the time it is in the plant in Windsor, but also in the transfer that will take place when and as it returns to the United States.

3:20 p.m.

Mr. Newman: Mr. Speaker, is the minister aware that Professor Joe Cummings, an associate professor of genetics at the University of Windsor, has noted there are enough carcinogens in the Cobex "to give most people in Windsor cancer if they breathe its toxic vapours during a fire"? We are also aware that other delisted pesticides sit in various warehouses across the province.

Given these facts, and given that the Association of Municipalities of Ontario passed a resolution in August suggesting that the province establish a monitoring agency that would, in co-operation with local boards of health, register dangerous commodities passing through communities, can the minister advise us how he has responded to the AMO suggestion? If he has not responded, why not?

May I also suggest to the minister that this question was raised by me in the House on November 10 with his colleague the Minister of Labour (Mr. Elgie), then again on November 24 and the problem still has not been resolved.

Hon. Mr. Norton: Mr. Speaker, I am not sure which problem the honourable member is referring to, whether it is the question about the reference from the Ontario Federation of Agriculture or whether he is talking about the Cobex problem. As far as his reference to the communication with the Ontario Federation of Labour is concerned, frankly I would have to check. I do not know whether at this point I have responded formally to them or not, but I will check and find out the status of that.

With regard to the member's opening comment on the potential hazard involved with this material, yes, I am aware it is viewed as a potentially very hazardous material, which is precisely why it is being dealt with as carefully as it is. As I believe the member knows, although the material is now no longer on the Canadian market, and the reason it happens to be in Windsor is that it was on its way out of the

country back to the manufacturer in the United States, it is still available on the American market.

That is no justification for our treating it any less carefully than we are, but I can assure the member and I would hope he would assure his constituents and others in the Windsor area who have legitimately some anxiety, especially when they hear statements like that from knowledgeable people in the academic community, that it is being treated very carefully.

ORGANIZED CRIME INFORMER

Mr. Breaugh: Mr. Speaker, I have a question for the Attorney General concerning the woman who was beaten by police informer Cecil Kirby at the Cara Inn on July 15, 1981. Is the minister prepared to offer to this victim some measure of protection? In particular, is he prepared to give us his personal assurance that Mr. Kirby will not be allowed to contact this woman and is he prepared to accept some responsibility for relocation expenses for her?

It appears that the woman is afraid of certain police officers and Kirby visiting her and is now in rather a complete state of physical and mental exhaustion. Is he prepared to offer to this victim of a police informer beating some measure of protection?

Hon. Mr. McMurtry: Mr. Speaker, I am not sure what the honourable member is referring to so far as the allegations he is making with respect to the current state of this woman's mental health. I have not heard anything and have not been given any information in that respect.

I indicated to the House several weeks ago that I would be reporting back to the House with respect to the very serious allegations that were made and were widely reported in the media, that police officers stood by, as it were, while this woman was being assaulted. I have not yet had a report relating to that. When I do, I will advise the House accordingly. I do not know the present circumstances about which the honourable member is advising the House. Therefore, not knowing those circumstances, apart from what he has stated, I am not in a position to comment further.

Mr. Breaugh: According to her lawyers, she is now in a state of total nervous exhaustion. Since it would appear the minister is prepared to offer relocation expenses in the amount of some \$200,000, would it not be reasonable for the crown now to move to offer some measure of protection and assistance to this woman, who is

the victim of a crime allegedly committed by a police informer while he was in police custody? Would the minister be prepared to consider that?

Hon. Mr. McMurtry: All I can say at this time is that I am prepared to inquire into the situation as the honourable member has related it to me.

ASSISTANCE TO BEEF PRODUCERS

Mr. Pollock: Mr. Speaker, I have a question for the Minister of Agriculture and Food. Are dairy cattle that are bred to beef breeds going to be eligible for the cow-calf supplement, especially if they are not cream or milk producers?

Hon. Mr. Henderson: Mr. Speaker, under item two on my form, eligible animals are females kept for beef purposes that have had or will have a calf in 1981, owned by the applicant. Cows kept for the production of milk are not eligible; only cows kept for the production of beef calves.

Mr. Eaton: Mr. Speaker, the statement refers to all "cows on hand as of August 1, 1981, provided these cows were bred in Ontario to produce a calf in 1981." Inasmuch as some of our beef herds are supplemented with cows coming in from western Canada that may have been bred last year, brought here in the fall, calved here and continue on in the herd, will those cattle be eligible?

Hon. Mr. Henderson: Mr. Speaker, these forms were put together this morning. When the statement came to me at noon it said "beef cows kept for beef" and the statement was changed at noon to clarify that it was "cows that were kept for the production of beef calves." The phrase the member is referring to, "bred in Ontario," is not part of the application. The cows he refers to, which were brought down for the production of beef calves, will qualify if they are on the farm as of August 1.

USE OF TIME IN QUESTION PERIOD

Mr. Mancini: On a point of privilege, Mr. Speaker: Of course, you are aware, sir, that if the members of the government decide on a daily basis that they are going to participate in question period on a routine basis, we in the Liberal Party and my friends in the New Democratic Party are not going to be able to share properly in question period time.

Mr. Speaker: I would like to point out to all honourable members that the time for oral questions is indeed time for all honourable

members in this House. I think you have made your point, and I understand what you are saying, but you are out of order.

PETITIONS

GO TRANSIT SERVICE

Mr. Cousens: On behalf of 3,500 signatories, on behalf of the Minister of Intergovernmental Affairs (Mr. Wells), on behalf of the member for York North (Mr. Hodgson), and the many users and potential users of GO train service in Markham, Unionville, Stouffville and Agincourt, I present this petition: "We have received no answer from the federal government. There is little likelihood that they will respond to our needs. The Ontario government has done an outstanding job with GO train service, and we solicit the support of the Ontario government for this important service."

3:30 p.m.

COBEX REMOVAL

Mr. Wrye: Mr. Speaker, I would like to present a petition signed by 840 citizens living on the west side of Windsor. This petition demands the immediate and safe removal of the cancer-causing herbicide Cobex. Specifically it states:

"We the people of the west of Windsor, Prince Road vicinity, are petitioning for the removal of Cobex herbicide from the Prince Road warehouse and right out of the city before the chemical causes public health hazards, namely cancer."

MOTION

ESTIMATES

Hon. Mr. Wells moved that the estimates of the Ministry of the Environment be considered in the standing committee on resources development, concurrently with Bill 7, An Act to revise and extend Protection of Human Rights in Ontario, in committee of the whole House this evening.

Motion agreed to.

INTRODUCTION OF BILL

ELECTION FINANCES REFORM AMENDMENT ACT

Mr. Samis moved, seconded by Mr. Bradley, first reading of Bill 182, An Act to amend the Election Finances Reform Act.

Motion agreed to.

Mr. Samis: Mr. Speaker, the present act limits contributions to political parties, constituency associations and candidates to persons individually, corporations and trade unions. This bill would remove the reference to corporations and trade unions to the effect that only individuals would be permitted to make contributions.

MOTION TO SUSPEND NORMAL BUSINESS

Mr. Wildman moved, seconded by Mr. MacDonald, pursuant to standing order 34, that the business of the House be set aside so that the House may debate a matter of urgent public importance, that being the new evidence of deepening economic recession in Ontario provided yesterday by the release of economic indicators from Statistics Canada and the failure of this government to take effective steps in an emergency budget to stimulate the economy and create jobs.

Mr. Speaker: Pursuant to standing order 34, the honourable member has up to five minutes to state his case.

Mr. Wildman: Thank you, Mr. Speaker. With the publication of the figures by Statistics Canada yesterday, we are all aware of what a bleak picture we face today as we head into the winter with an economic slump that is much worse than any of the experts believed it to be, much worse than even the projections made by the Conference Board of Canada published yesterday.

The StatsCan figures indicate that for the third quarter the gross national product has declined by one per cent. When that is adjusted for inflation the annual rate of decline is four per cent, which is a tremendous decline when one considers that we had a growth rate of about 5.6 per cent in the second quarter of this year.

Real output has fallen by 1.9 per cent, which is the most severe decline in the last 30 years. Investments in many areas have fallen short of what is needed to provide the jobs we need in our economy. For instance, investment in machinery and equipment is down by 5.9 per cent.

The Conference Board in Canada figures yesterday indicated a decline of 1.2 per cent in the gross national product and the conference board, as a result of that, said we face a serious situation of declining industrial output in the economy in 1982.

These figures today, however, are much worse than that. We have been told that experts such as Roger Keane of Midland-Doherty pre-

dict we are going to see a disaster for the fourth quarter figures when they are published and that today we may be facing an annual decline of between six and seven per cent, if not greater. This would make it the worst decline in our economic situation since 1951. Obviously the problems we face are the result of record high interest rates and the concomitant poor consumer demand.

We are facing a situation where in the retail trade we have high inventories and little is moving. We are in the midst of a recession. We have little hope of improvement. We face for 1982 and for this winter high inflation, high interest rates and higher unemployment. We are going to see continued sluggish automobile sales and fewer housing starts. The sagging economic situation is coupled with and is compounded when one considers the high current account deficit of something approaching \$6 billion in 1982.

The spending consumers are making on durable goods has fallen by 5.7 per cent. That is the largest decline since 1976. Demand for automobiles has declined by 6.3 per cent in volume. Overall, there is a decline in personal expenditures on goods and services of 0.9 per cent. Interestingly enough, when we ask for a reaction from this government we have a \$21 million rebate on 1981 automobiles that are still in inventory and the Statistics Canada statement says its figures follow the temporary suspension of sales taxes on specific items in Ontario. In other words, the only answer that is proposed by this government has not been adequate. The decline continues.

When one looks at the only thing this government has pointed to in terms of economic stimulation, the BILD program, it is obvious it is a complete failure. When we looked at the 45 projects announced by the Treasurer in his recent statement, of 26 of them, the ministries involved could not give us any job projections at all. Of those job projections we did see there were less than 1,500 jobs, most of them for the Toronto convention centre.

Obviously this is an inadequate response. What is needed is a budget. The federal budget did not respond to the needs of Ontario. This government has the responsibility to do that. We need relief from high interest rates. We need to stimulate consumer demand and we need a job creation program that will provide us with the jobs we need this winter. It is about time this government lived up to its responsibilities.

Mr. Smith: Mr. Speaker, we would certainly support a debate at this time on the sad state of Ontario's economy. The policies of this government, as I perceive them, basically come down to waiting to see whether there will be a recovery eventually in the United States of America. They hope such a recovery will have benefits that will spill over the border into Canada and will benefit Ontario as an industrial centre waiting to sell products to consumers who, at the moment, are not inclined to purchase the products we happen to be producing here.

That is an easy answer. That is a simple understatement of the situation. It marks the way this government, at heart, really regards the situation. I honestly believe a decent person like the Treasurer would be doing something, except that he truly believes in his heart there is not an awful lot Ontario can do when things have a downturn in the United States. He believes our economies are interwoven and there is very little he can do in the face of the high interest rates and so on which are forced upon us.

3:40 p.m.

Of all the things I have seen here in six years, what disturbs me most is this acceptance on the part of the government that Ontario is obliged to participate in the decline of traditional industries in the foundry of northeastern United States. I profoundly disagree with the government that we must simply go down with those traditional industries as prosperity moves to Canada's west and to the United States southwest.

Canada will be all right. We have a downturn now, we may have a serious recession ahead of us, but ultimately the country will come out of it because of our resource base. Ontario, however, may never come out of the present downturn. It has been going on throughout the 1970s, it is likely to continue in the 1980s and we may never come out of it as we know Ontario to be now. Our youngsters are very likely to have to find their future in another part of this country because Ontario depends on manufacturing and this country is going to run up about a \$23 billion deficit in international trade in manufactured end products in this coming year.

Our province simply must get into industries that have a future in manufacturing. It is not good enough to talk about election gimmicks which were obviously very successful in getting votes, and to speak of BILD and this and that. We have to have a strategy to equal that of the Japanese. While people are not buying Ameri-

can cars they are buying Japanese cars and while the western world is in decline as long as Mr. Reagan's policies are going to be to fight inflation by recession, the fact remains that our competitors in Japan have plans today to dominate the economy of the free world within the next eight or nine years. We are going to have to compete not simply with Michigan and Pennsylvania, who are in decline as we are, we are going to have to compete with Japan and with other nations in other parts of this world.

Ontario has the opportunity to move into new areas, new forms of energy, new forms of pollution control equipment, new industries in electronics, new industries that can service the resource sector that we have in energy, in mining, in agriculture and in resource industries generally. We have to have a strategy, we have to have confidence in our own people and we have to depend on the small and medium-sized Canadian businesses that are not just going to act as branch plants and are not just going to do the bidding given to them from Washington or elsewhere and consequently accelerate the decline each time it happens.

We are in a situation now where even when the dollar goes down in value we hardly benefit, because the branch plants continue to import their parts from their mother company down south no matter how much they happen to cost. We are obliged to accept the decline that has happened and to reverse it by moving into new industries with targets that will create jobs here. It is inconceivable to me, no matter how good a speculation Suncor may turn out to be in the future, that the Ontario government would announce to the world the only place they can find to invest money at this time is in western Canada where there are tar sands and a bright future. They believe that is where the action is.

We must believe in ourselves in Ontario. We must believe in our young people. We must believe in our small business people and we have to have a coherent strategy to get Ontario working again, not only this winter but to have a future in the 1980s and 1990s to compete with Japan and with other parts of this world.

We are as smart as anybody. We have the ability. We lack a government committed to a decent strategy of industrial growth.

Hon. F. S. Miller: Mr. Speaker, I think the question to be decided by yourself today is not whether the economy has a problem. I think anyone who tried to say we are not facing difficult economic times would be laughed out

of court. I have not tried to say that. The question should be whether it is resolved in this House and by emergency debate.

Tomorrow my estimates begin. I think that is the proper place to have that kind of debate. There will be 12 hours of debate, two full days, and I would suggest that is the traditional, and in this case immediate, place for such a debate.

I am told there has been a similar motion placed before the federal House today. The federal House, of course, has recently brought down a budget. In my opinion, that is a House which needs greatly to be influenced in terms of effects upon Canada's economy. Many of the things Mr. MacEachen did in his budget really have struck at the fibre of investment motivation in Canada.

He has done things to farmers so that if they sell their farm they pay their income tax in one year instead of spreading it out over a number of years. He talked about taking it from the rich. I do not think many farmers caught by that move will feel they were the rich.

Mr. Martel: He did nothing of the sort.

Mr. Speaker: Order.

Hon. Mr. Miller: He has taken a series of moves to prevent the redeployment of an investor's funds that will attract tax in advance of attracting cash. He has done a whole series of things that I think will fundamentally make people say "I do not want to invest in this country. I would rather invest someplace else." I would argue that one of the most important things a politician does is create an atmosphere of confidence for investment.

I was intrigued by the comments made by the Leader of the Opposition as he wound up his speech. He said, "We have to believe in ourselves." I could not agree more, and yet all I have really ever heard the honourable member do, going around this province, is to make people believe that we have no future, that we have no chance, that we are a bunch of dim-witted second-rate citizens. I would argue that philosophy was rejected. I would argue that the honourable member has done as much as anyone to destroy that confidence.

Mr. Speaker, I simply say to you this is not the time or the place for that kind of debate.

Mr. Smith: That's bull roar.

Mr. R. F. Johnston: No understatement, Stuart.

Mr. Smith: That's what I have done, understate.

Mr. Speaker: Order. I have listened intently and with great interest to the comments of the members of the three parties. Quite obviously, we are faced with a very serious situation and I do not want to diminish that in any way. However, I do find the motion is out of order, mainly because there will be a chance to debate it more completely during the Treasurer's estimates which will be before the general government committee.

I would also point out to all the honourable members that the budget debate is still going on, so there will be opportunity to discuss this at greater length.

ANSWERS TO QUESTIONS ON NOTICE PAPER

Hon. Mr. Wells: I wish to table the answer to question 247 and the interim answer to question 248 standing on the Notice Paper. (See Hansard for Friday, December 4.)

ORDERS OF THE DAY

ENVIRONMENTAL PROTECTION AMENDMENT ACT

Hon. Mr. Wells, on behalf of Hon. Mr. Norton, moved third reading of Bill 143, An Act to amend the Environmental Protection Act.

Motion agreed to.

BANKFIELD CONSOLIDATED MINES LIMITED ACT

Mr. Robinson moved second reading of Bill Pr9, An Act to revive Bankfield Consolidated Mines Limited.

Motion agreed to.

Third reading also agreed to on motion.

BURFORD LIONS CLUB ACT

Mr. Nixon moved second reading of Bill Pr15, An Act to revive the Burford Lions Club.

Mr. Nixon: I can tell members where Burford is and all about it, if they would care to know.

Motion agreed to.

Third reading also agreed to on motion.

3:50 p.m.

JACINTA INVESTMENTS LIMITED ACT

Mr. Rotenberg moved second reading of Bill Pr19, An Act to revive Jacinta Investments Limited.

Motion agreed to.

Third reading also agreed to on motion.

TOWNSHIP OF NORTH DORCHESTER ACT

Mr. Eaton moved second reading of Bill Pr25, An Act respecting the Township of North Dorchester.

Motion agreed to.

Third reading also agreed to on motion.

CITY OF KANATA ACT

Mr. MacQuarrie, on behalf of Mr. Mitchell, moved second reading of Bill Pr31, An Act respecting the City of Kanata.

Motion agreed to.

Third reading also agreed to on motion.

TOWN OF BRACEBRIDGE ACT

Mr. Eves moved second reading of Bill Pr32, An Act respecting the Town of Bracebridge.

Motion agreed to.

Third reading also agreed to on motion.

TOWN OF GRAVENHURST ACT

Mr. Eves moved second reading of Bill Pr33, An Act respecting the Town of Gravenhurst.

Motion agreed to.

Third reading also agreed to on motion.

TOWN OF HUNTSVILLE ACT

Mr. Eves moved second reading of Bill Pr34, An Act respecting the Town of Huntsville.

Motion agreed to.

Third reading also agreed to on motion.

TOWNSHIP OF CHANDOS ACT

Mr. Pollock moved second reading of Bill Pr36, An Act respecting the Township of Chandos.

Motion agreed to.

Third reading also agreed to on motion.

TORDOM CORPORATION CONTINUATION AUTHORIZATION ACT

Ms. Fish, on behalf of Mrs. Scrivener, moved second reading of Bill Pr40, An Act respecting Tordom Corporation.

Motion agreed to.

Third reading also agreed to on motion.

House in committee of the whole.

HUMAN RIGHTS CODE (Continued)

Resuming consideration of Bill 7, An Act to revise and extend Protection of Human Rights in Ontario.

Mr. Chairman: I bring to all members' attention and that of those with us in the gallery that we are dealing with Bill 7, An Act to revise and extend Protection of Human Rights in Ontario. It is my understanding the committee of the whole House concluded debate on a proposed amendment by Mr. Renwick.

Mr. Riddell moved that sections 1 to 5 inclusive of Bill 7 be amended by adding after the word "handicapped" the words "political belief."

Mr. Riddell: Mr. Chairman, I think it is necessary we have this amendment included in the bill to prevent the rather unfortunate situation that happened in one of our sister provinces, I believe it was Nova Scotia, where there was a change of government and all of a sudden 2,000 civil servants found they were without jobs. I would hate to see that type of thing happen in Ontario or any other province for that matter.

Also I think it might stop some of the political patronage we see occurring here in Ontario. We all well know that at one time before anyone could get a job in a liquor store he had to support the Conservative Party. Fortunately, the unions have now stepped in and they have put a stop to this with the exception perhaps of the appointment of a manager. I think maybe the unions could apply pressure on that and make it embarrassing for the government if it tried to appoint a manager of a store who happened to support the Conservative Party and that was the only qualification he really had.

It bothers me when I see such things happen as the appointment to the Ontario Racing Commission of a former minister of the crown here in Ontario, a person by the name of Charles MacNaughton. He has an excellent pension and yet was appointed as chairman of the Ontario Racing Commission knowing very little about the horse business.

4 p.m.

I know there were some people connected with the racing association, with the standard-breds and the thoroughbreds, who had a great deal of knowledge about the racing association and who would have liked that job. They were not given any consideration simply because the great Charles MacNaughton, the former Treasurer of this province, decided he had enough of politics and forced a by-election in 1973. The government thought they would honour the fellow by giving him the chairmanship of the

Ontario Racing Commission. That is irresponsible and completely unacceptable as far as I am concerned.

We can turn to the Ontario Police Commission. Who got the job as chairman of the police commission? None other than Elmer Bell, the man who was responsible for getting Charlie MacNaughton elected year after year.

Mr. Renwick: What about Phil Givens?

Mr. Riddell: Do not think there was not a little politics involved there, my friend. The Ontario government dearly wanted to pick up that seat so I think some negotiations went on in that regard too.

The point I am trying to make is this government does not necessarily appoint the people who are qualified to do the job. They appoint these people because they happen to be old, faithful, loyal, Conservative supporters. I would like to see a stop put to this. If by putting in this amendment we can put an end once and for all to this political patronage, I think all members of this House should give it serious consideration.

Mr. Renwick: Mr. Speaker, I rise to say we support the amendment. I thought the member for Huron-Middlesex had introduced it to protect himself on the political beliefs he expressed in this House last night, and that he did not want to be discriminated against because of the beliefs he expressed here in this assembly. That was the most incoherent statement of personal political beliefs I have ever heard in my life and I can well understand he would not want anyone to discriminate against him because of it.

We will support the amendment. I may say that—

Mr. Riddell: Perhaps the member would like to elaborate on that. He is talking nonsense.

Mr. Renwick: I did want to say even I thought there was some politics involved in the appointment of Phil Givens as head of the Metropolitan Toronto Police Commission.

We support the amendment for a more important reason: because it is the policy of the New Democratic Party. In this caucus we are bound by the policy of and are under the direction of the party. We consider that in this society a person's political beliefs are an irrelevant consideration with respect to the availability of services, accommodation, employment and membership in associations.

Some people try to make a subtle distinction. For example, when we become the government I think the Deputy Premier (Mr. Welch) of this

province would want to resign. It would not be a question of discrimination on the grounds of his political belief. I think he would automatically wish to leave his employment at that time.

The great bulk of people should not be placed in jeopardy regarding the availability of services, accommodation, associations and employment covered by this bill. We are delighted with the amendment. We would have moved it ourselves if the member for Huron-Middlesex had not moved it and we will support it.

Ms. Copps: Mr. Chairman, I also want to speak in favour of the amendment and support the points put forth by my colleague in the Liberal Party.

If we think back to the period in committee, we will recall that the Ontario Federation of Labour pointed out to us the fact that some 2,000 Nova Scotia civil servants were axed simply because of a change of government. Obviously there may be situations where certain senior policy advisers and deputy ministers may have to leave with a government, but I think that in general we must respect the principle that employees in the civil service should be protected regardless of changes in governments.

Mr. Di Santo: Mr. Chairman, I rise in support of this amendment for the reasons that my colleague the member for Riverdale has mentioned but also because I think that in Ontario today there is a very subtle form of discrimination on the basis of political beliefs.

This discrimination is not openly stated, but it does exist, especially for that group of citizens who happen to be the civil servants of the province. The legislation we have in Ontario today makes them second-class citizens, because they cannot express their political beliefs publicly, they cannot belong to the opposition political parties and they are therefore restrained from expressing themselves in the way they choose.

I think it is time that every citizen in this province be treated fairly and equitably without discrimination because of political beliefs. We have had innumerable examples in the past of citizens who have chosen to run for or were active in the opposition parties and who were literally persecuted, such as my colleague the member for Hamilton Mountain (Mr. Charlton), while we have had innumerable examples of citizens who chose to work and are working for the Conservative Party who, of course, have received all kinds of opportunities.

With this amendment, I think we can close

that loophole and bring some justice to a sector of our citizenry being discriminated against today.

Mr. R. F. Johnston: Mr. Chairman, I rise to speak in support of this motion as well. I presume from the silence on the other side that we have their consent.

The only thing I want to add to the learned things my colleagues the member for Downsview (Mr. Di Santo) and the member for Riverdale (Mr. Renwick) have said is that at this time it should be seen to be unthinkable that somebody could have a job denied him in Ontario just because he is a Conservative; it should be seen to be totally unthinkable that, just because somebody has so misconstrued reality as actually to think that being a Conservative is a useful thing, this should keep him from employment in this province. I am sure all members on the other side will agree.

Mr. Bradley: Mr. Chairman, I wish to add my words of commendation to the member for Huron-Middlesex (Mr. Riddell) for initiating this amendment, which I think will be a very valuable part of this bill if it is accepted by the House.

Many of us on the opposition side—and I suppose the longer one is on the opposition side, the more one sees this—have been disturbed by the fact that many people in this province over the years have been denied an equal opportunity to obtain employment because of their political affiliation or because of their known political leanings while others have enjoyed employment opportunities because of their affiliation with the government in power.

The Tory hack the member for Middlesex (Mr. Eaton) is one of the prime examples of a person who believes in the patronage system. But we see examples day in and day out, and the most obvious example is the Liquor Control Board of Ontario. Everybody in my area knows the way to get a job in the liquor stores in the Niagara Peninsula is to know the right people or to be mighty lucky, but it certainly helps to have a recommendation from the right person.

4:10 p.m.

Individuals have come to me over the years and said, “I would like a job in a liquor store.” I am really in a dilemma because, first of all, I have no influence over that, nor do I want influence over who gets a job in a liquor store. I think it should be determined on merit. But I also have the dilemma of wondering whether I should name the person in my area who exerts

influence on the hiring policies of the liquor board, because the individual might well need a job. Do I tell him he should see Mr. X for this job or not?

There are many examples. The member for Huron-Middlesex has listed some. The member for High Park-Swansea (Mr. Shymko) landed a beautiful job when he was defeated, I think, in the federal election. The provincial government had a job waiting for him.

Hon. Mr. Elgie: Merit—complete merit.

Mr. Bradley: The Minister of Labour retains his good sense of humour.

We then have the example of the Workmen's Compensation Board and the list of people who have been able to obtain jobs there. The former member for Hamilton Mountain, I think it was, who certainly did not distinguish himself as one of the better parliamentarians in this House, at least not from the news media reports we read and evaluations from pretty objective people, was able to land himself a job in the Workmen's Compensation Board. And the list goes on.

I could speak for an hour on the Tory hacks who have been able to get jobs and about others who are people of some ability, as the minister points out. There have been people of some ability as well, but the ultimate decision has been influenced by their political affiliation. It is my belief, in principle, that this should be ended, and I am hopeful that the members of the government, who are highly principled people, will support the amendment as put forward by the member for Huron-Middlesex.

Mr. Chairman: I point out to all honourable members that it is the chair's responsibility to try to restrain members in their use of unparliamentary language. Quite frankly, I say to the member for St. Catharines, I have difficulty with the term “hack,” in terms of parliamentary language, as inciting too much so-called rowdiness in the Legislature. Under the circumstances, since there was not a great fervour about it, we will make no further comments, except to say that, knowing the quality of person you are, I hope you will refrain at some future time from possibly inciting members with unparliamentary language.

Mr. Bradley: I thank the Chairman for his advice.

Hon. Mr. Elgie: Mr. Chairman, the issue of political belief really is not quite as straightforward as some members would have it seen. The words “political affiliation” were used by the member for St. Catharines, “political belief” by

another, "political leaning" by yet another and "political activities" by a fourth member. Other provinces have encountered similar problems with this particular definition.

But I want to make one thing very clear to the member for Huron-Middlesex, so he can go home and relax and feel confident about things. There has been no house cleaning of civil servants in the provincial government of Ontario ever since the public in its good judgement defeated the Hepburn Liberal government in 1943. The member can be very sure of that.

I recall, as a young member arriving here some three or four years ago, the member for York South (Mr. MacDonald) paying great tribute to the fact that the patronage system did not exist in this public service and this government. Thank God, we are rid of it. I am sure the member is glad to be rid of it too. I join the member in saying that we are grateful in this province that a Conservative government has cleaned up a mess that a former Liberal government left behind.

Let us also understand that we also are blessed with a Public Service Act; so that where any public servant is discharged for any reason he has a remedy which is called a grievance. Any others who are discharged from any situation in society have a right under common law called unjust dismissal. It is my view that the Life Together commissioners, who travelled the province, found very little, if anything, to indicate that there was a problem in this province in this area.

In the light of the matters I have discussed, the government is not prepared to accept that amendment.

Mr. Chairman: All those in favour of Mr. Riddell's amendment will please say "aye."

All those opposed will please say "nay."

In my opinion, the nays have it.

Amendment stacked.

Mr. Chairman: I want to point out two items. First, the member for Riverdale also proposed an amendment with the exact same intent as that proposed by the member for Huron-Middlesex. Under the circumstances—

Mr. Renwick: I won't be placing it.

Mr. Chairman: You will not be presenting it?

I have another question upon which I seek your guidance. We have had one or two proposed amendments of a similar nature. However, they are put in at different points in section 1. Within my own mind, I have made the ruling of following the official opposition on

their amendment first, even if, for instance, your proposed amendment, if it is exactly the same, follows ahead of one of the words in the section. Are you agreeable?

Mr. Boudria: Sounds reasonable to me.

Mr. Renwick: I am quite agreeable to that.

Mr. Chairman: Thank you very much. I wanted to make that clear to the House so that we would not run into controversial items.

Ms. Copps moves that sections 1 to 5, inclusive, be amended by adding, after the words "ethnic origin," the word "language."

Ms. Copps: Mr. Chairman, we moved this in committee as well as in the House for the reason that there are certainly many instances in Ontario where our minorities need to be protected in terms of language rights. I represent many Italian-speaking and Polish-speaking immigrants in my community who for one reason or another have sometimes been stood down for a job or a place to live when they have been perfectly able to do the job but may not have been able to speak the language.

Even though citizenship and ethnic origin are also components in the bill, it is important that we specifically underline in the human rights code an endorsement of the general principle of language protection and include it in prohibited grounds of discrimination.

The inclusion of this amendment certainly would go a long way to creating the kind of climate for language in this province that we have to work very hard to preserve in a multicultural, multiracial society. This amendment is a statement of principle; and if there are situations where a prospective employee cannot do a job, for example, because he or she is impeded by a language barrier, it is only reasonable under these bona fide circumstances that language will be brought to bear and not included as a prohibited ground of discrimination.

I propose the amendment with the full knowledge that under bona fide circumstances in employment the issue of language need not be a prohibited area of discrimination; but in general terms, as we have seen fit in this legislation to include ethnic origin and citizenship, it is important that we spell out language rights as a general statement of principle for our Ontario Human Rights Code.

Mr. Di Santo: Mr. Chairman, I support this amendment because, representing a riding where there is a very large ethnic community, I happen to deal almost every day with people who find it

difficult to exercise their full rights as human beings in this society as a result of the language barrier.

The language barrier is an obstacle that results in discrimination, because in many instances the people who are affected are excluded from jobs, from accommodation, from participation in unions and from the ability to make contracts by this barrier, which is not their fault but results from objective circumstances.

4:20 p.m.

We have many cases of people who have been in Canada for many years but who, because of the environment in which they live and operate, have not been able to learn the language of this province or, I suppose in other instances in the province of Quebec, the French language. But they are still citizens because they have acquired the citizenship of this country or because they have been residents for many years; and despite that fact, they cannot fully use the benefits of their condition.

I think it is wise for the human rights code to eliminate this type of discrimination, which does exist even if it is not stated publicly. I might add briefly that language in many instances has racial undertones, undertones that do not come up very often. For that reason as well, I will support the amendment.

Mr. Chairman: The member for—

Ms. Copps: Prescott-Russell.

Mr. Chairman: Prescott-Russell. Thank you.

Ms. Copps: How could you forget?

Mr. Chairman: I know; how could I forget?

Mr. Boudria: Mr. Chairman, I was worried for a while that you would forget the name of my constituency, and I want you to know that the people of my riding would never have forgiven you for that. I am glad, nevertheless, that you did remember it.

I rise to support this amendment, because it is very important. The minister may remember that l'Association canadienne-française de l'Ontario, or ACFO, and l'Association française des conseils scolaires de l'Ontario appeared before the committee to suggest that this amendment should be included in the bill.

I will not speak very long on this matter, because I have already outlined my thoughts to the committee and I am sure all members recall what I had to say at that time. I just want to recall to the minds of the members of this House the following, which I stated in front of the committee. I am sure the minister will recall

that I referred to an editorial in the Ottawa Citizen, entitled "Mocking Human Rights." Basically, it says the following:

"With an increasing number of racist incidents in this province, Davis is taking steps to demonstrate his government's support of newcomers to the Canadian society. That's commendable, but the cruel irony is obvious: Davis will turn his party's policies inside out to welcome new Canadians, but he won't recognize the special rights of francophones. The former is important for the future growth of his party; the latter is important for the retention of the conservative base he already enjoys."

In other words, the editor of the Ottawa Citizen is telling us, things are being done this way on purpose. They are being done this way because not expanding the rights of francophones is seen to be a good thing for the majority of the people in this province. I do not think it is, and I do not even think the population of this province really thinks this way. Nevertheless, one has to wonder at the persistence of this government not to increase anything that has to do with what may be interpreted as francophone rights.

In this case, although we are not strictly talking about that issue, we are talking about language rights in general. As I said to the committee, and as the member for Yorkview (Mr. Spensieri) said to me after the meeting of the committee, this was a good amendment. He was concerned because it applied very well to his constituency as well as to mine.

I draw the attention of the minister to a question I raised in the House approximately a week ago. It relates to an article in La Presse of Montreal. The minister may remember La Presse stated in that article that the Premier of this province had written a letter to a lady from Ottawa explaining he was supporting the charter of rights of this country, not for the expansion of francophone rights in Ontario but rather to try to control the power of linguistic rights that the government of Quebec had under Bill 101.

In Le Droit of Ottawa last week, a paragraph in an editorial headed "Davis et la Charte des droits" and written by Alain Dexter states the following, which I will read for the benefit of the House:

"Quoi qu'il en soit de l'impact que pourrait avoir au plan 'national' cette lettre que le premier ministre William Davis a fait parvenir, l'hiver dernier, à une citoyenne d'Ottawa, et où il traite de la position de l'Ontario face à la

charte des droits, la réalité qu'elle traduit ne constitue pas une bien grosse révélation au plan 'intérieur.' En somme, que M. Davis voie la charte des droits comme un moyen de contrecarrer les effets de la Loi 101 sur la minorité anglophone du Québec, voilà que ne surprendra aucun Ontarien le moindrement familier avec le credo politique des châtelains de Queen's Park."

The editor of *Le Droit* is of the opinion that we should not be surprised by the attitude of this government towards linguistic rights.

I urge the minister to include this amendment in his bill. With the recent events of the last few weeks, where the credibility of this government vis-à-vis linguistic rights has been seriously undermined by that article in *La Presse* of Montreal, this government would have a chance to prove it is willing to go ahead with one small step towards improving linguistic rights in this province.

It is not a major amendment. It would not change much in the bill, but at least it would be one concrete step to indicate the minister is willing to go ahead one little bit. This is not the private member's bill of the member for Ottawa East (Mr. Roy) guaranteeing services. This is not section 133 of the British North America Act. This is only a small thing compared to that.

I know the government has not been willing to go along with section 133. I know the government has so far done nothing with the member for Ottawa East's private bill, although it was introduced a number of years ago and has been reintroduced lately, seconded by me. I do not accept that; I wish the government would go ahead in that direction. But here is an opportunity today to take that one small step which may indicate there is some willingness on the part of this government to recognize linguistic rights a little more in this province.

Therefore, I appeal to the minister to go along with this small amendment and to demonstrate some good faith for his government.

4:30 p.m.

Mr. Samis: Mr. Chairman, I rise to speak in support of the amendment. I agree with the general sentiments expressed by the member for Prescott-Russell (Mr. Boudria). I am of the opinion that the best place for this would have been in the constitution of Canada so that rights could be guaranteed.

If the amendment were to pass, I would not see this as a major step forward in terms of the historic grievances of the Franco-Ontarian minority, but it would be a small concession and, I

suppose, in current circumstances would be considered a step forward; so on that basis we would support it.

I do come back to the essential point, which is that the essential grievance of the Franco-Ontarian minorities is in terms of their rights being guaranteed by the constitution. That is what they have been seeking, and that would have been preferable.

Hon. Mr. Elgie: Mr. Chairman, I have some brief remarks. As the member for Prescott-Russell said, this was discussed in some detail in committee both when briefs were being presented and subsequently in clause-by-clause consideration. He knows, as I am sure all members know, that the position of the government was made very clear in the recent constitutional amendments.

He knows very well, as a member of this Legislature and as a citizen of this province, that this province need not take second place to anyone with regard to the provision of French-language services in the educational system where numbers warrant it or in the area of provision of services in the field of justice. He knows that, and members of his own party have paid tribute to what has been achieved in this area by this government. The government's general position is known very well and very clearly from the prolonged discussions leading to the constitutional amendment.

The member for Downsview (Mr. Di Santo) and the member for Hamilton Centre (Ms. Copps) discussed concerns that one of their constituents might have trouble with regard to employment over the fact that he spoke a language of another country. May I say to them that if they read the act properly, they will agree that place of origin, ethnic origin and ancestry cannot be construed in any other way than under section 8: "No person shall. . .do, directly or indirectly, anything that infringes a right. . ." I submit to my friends that labelling language is really labelling ethnic origin or place of origin—

Mr. Di Santo: It is not the same.

Hon. Mr. Elgie: Do not make that silly movement of the head; just try listening. I tell my friend that is covered.

The government cannot support this amendment.

Mr. Chairman: All those in favour of Ms. Copps's amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Amendment stacked.

Mr. Chairman: After speaking to the member for Riverdale, it is my understanding that he will withdraw his proposed amendment regarding language.

Mr. Di Santo moves that section 1 be amended by adding, after the words "marital status," the words "weight and physical height."

Hon. Mr. Elgie: On a point of order, Mr. Chairman: I do not have a copy of that amendment. Does anyone else?

Mr. Di Santo: Mr. Chairman, I sent a copy to the minister. It was probably misplaced.

Mr. Chairman: Shall we get the minister a copy?

Mr. Cunningham: It sounds like a good idea.

Hon. Mr. Elgie: It's definitely a good idea. I remember the 24-hour notice we all agreed to.

Ms. Copps: We just got it too.

Mr. Boudria: He gave it to the most important people first.

Mr. Chairman: The minister has been most obliging, and I know we appreciate that.

Mr. Di Santo: Mr. Chairman, I would like to outline briefly the reason I moved this amendment. In the act under section 1 there is a specification that discrimination must be prohibited because of handicap. But there are cases actually where there is persisting discrimination because of the weight and height of individuals. I am referring specifically to the hiring practices of the police in Ontario. My special concern is Metropolitan Toronto where this problem is blown out of proportion in many instances, but is having its effects.

After the Second World War the setup of Metropolitan Toronto changed dramatically. We had before a rather homogeneous city ethnically speaking.

Mr. Samis: Wasps.

Mr. Di Santo: I do not know if I can use the word suggested by my colleague the member for Cornwall, but of British stock basically.

Since then the setup of the population has changed dramatically. Now the majority of the population is not Anglo-Saxon but belongs to many ethnic groups that came to Canada after the Second World War, initially from Europe and later from other continents—from south-east Asia or east Asia, Africa and South America. Today, the population of Metropolitan Toronto is a racial mix that is completely different from the population of this city 30 years ago. Despite this dramatic change in the composition of the population we still keep the

same standards and the same requirements for our police. What happens, and what happened in the past, is that there are very serious problems in communication because of languages and in understanding.

Even if the minister says language is included in race, place of origin and ancestry, language is a problem also in this area of communication and understanding. The model of police we have, which is British, does not apply any longer to this multiracial metropolitan city. For cultural reasons, not because it is anyone's fault, there is sometimes a total breakdown of communication.

This problem is becoming more and more serious, and in the last five years we have had five inquiries. We had the Morand commission initially, then the Arthur Maloney commission, then we had an inquiry by Walter Pitman. Last year, it was the turn of Cardinal Carter, who tried to understand why there is so much difficulty in the relationship between what we call ethnic groups and the police, and among the ethnic groups—those groups that are called coloured visible minorities.

In many instances it has been proposed in the reports given by the police, by the commissioners and especially by Cardinal Carter, that perhaps more policemen belonging to minority groups should be hired. But then we have a height requirement, which is blatant discrimination. In order to become a policeman in Metropolitan Toronto, you must be a certain weight and a certain height. Therefore, people belonging to many ethnic groups who do not have those requirements are excluded. By excluding those people we aggravate a social situation that is very serious. Since there are also racial problems those problems too are aggravated even more.

4:40 p.m.

I think the government should accept this amendment, because it will help to solve problems that are increasing right before our eyes. I think that by eliminating this form of discrimination we will do a service not only to Metropolitan Toronto but to the province of Ontario, and I hope the Minister of Labour is willing to support it.

Mr. Grande: Mr. Chairman, I hope the Minister of Labour has been listening to the argument the member for Downsview has put forward. I think it is certainly an anachronism in the 1980s that certain institutions in Metropolitan Toronto do not represent and do not reflect the multicultural makeup of a city such as this.

About two years ago I was interested in finding out to what extent the provincial government through its ministries does hire people of different ethnic backgrounds. Since the human rights code does not permit the collection of information based on ethnicity I had to draft my question on the Order Paper in terms of how many languages are spoken in each ministry of the government and in particular agencies.

I discovered to my astonishment that in ministries where one would expect to find many people in different positions who reflect the multicultural makeup of this province and of Metropolitan Toronto in particular only seven or eight per cent are from different cultural groups. This is the case even though some 55 to 60 per cent of the population of Metropolitan Toronto are from such groups.

What the member for Downsview talks about certainly reflects the number of people who are policemen or who are men and women serving in the Ontario Provincial Police. And of all the government's agencies, boards and ministries, the OPP was the one that least reflected the multicultural makeup of the province. About 5.1 per cent of the people working with that institution reflect the province's multicultural makeup.

I am sure the minister will agree, because I do see him as having some semblance of the progressive about him. I think he does see that—

Interjections.

Mr. Grande: Well, just the very minimum.

An hon. member: Oh, no. You are giving him far too much credit.

Mr. Grande: I hope he sees the wisdom and the need for this amendment to be accepted by his government. Instead of talking about this phenomenon called multiculturalism, the government would be seen to implement some of the actions and change some of the laws so that it is a reality, implemented in the laws of this province.

I urge the minister to accept this amendment and let us continue with the other amendments to this act.

Hon. Mr. Elgie: I would like to oblige my friend the member for Oakwood but I am afraid my response is negative. If he takes the time to study cases that have appeared before boards of inquiry over the years he will recall the security guard case and the Sikh with the beard. It was called constructive discrimination and it estab-

lished that principle. He will recall the Ottawa police case where height and weight requirements were put to the test in the case of females who were applying for jobs there.

If he reads section 10, he will see that constructive discrimination remains a part of this code and he will understand those are issues that can be brought to our attention. If there is such a requirement, qualification or consideration, it has to be a reasonable and bona fide one in the circumstances. That is what he wants, I am sure.

The government does not feel the amendment is necessary nor can it support it.

Mr. Chairman: All those in favour of Mr. Di Santo's amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

It is my understanding this will be stacked for later this evening.

Ms. Copps: On a point of order, Mr. Chairman: I do not know why this amendment is going to be stacked because I do not think we have the numbers in the House to request it.

Mr. Chairman: Of course the House can make any arrangements it wants to. But it is my understanding from the House leaders that notwithstanding the prerequisites in the standing orders for the number of people to rise in their places, it will be stacked at 10:15 p.m.

Ms. Copps: On the same point of order, it is the first time we have had a chance to see this today and it is not one of the amendments that has been discussed all the way along. I was under the impression the amendments to be stacked were the ones that had been previously circulated among all parties.

Mr. Renwick: I am not certain I am on the right point, but I did not think the agreement of the House leaders eliminated the requirement for five members to stand in their places. I thought that would be important rather than just to say the vote is stacked.

Mr. Chairman: I will take the onus of responsibility because I was under the impression that was the agreement.

Ms. Copps: On the same point of order, the requisite number of members did not stand on the other points to date. They have stood up. We stood up on the last vote that was to be stacked. Perhaps you can get a clarification on that and, if five members are prepared to stand, they can go ahead and do so.

Mr. Chairman: I was going to make the

decision I had too hastily indicated there was agreement. You have pointed out there was not an agreement. I am going to call the amendment again and I will indicate that if the members want to stand, fine. That is my ruling. If you would like to challenge it, that is fine.

Referring back to the amendment proposed by the member for Downsview, all those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Amendment stacked.

Mr. Chairman: I thank the member for Hamilton Centre for pointing that out to me.

Mr. Chairman: Mr. R. F. Johnston moves that sections 1, 2, 3 and 5 be amended by adding the words "record of offences" after the word "age."

4:50 p.m.

Mr. R. F. Johnston: Mr. Chairman, this bill has a number of important changes in it which improves the past legislation in terms of human rights in Ontario. One of the major additions is the inclusion of the prohibitive ground of record of offences being introduced for the first time. People who have committed various kinds of offences, but have paid their dues to society, will now not be discriminated against in terms of employment. Therefore, under section 4, the employment section of this act, members will find that record of offences is added.

However, people who have paid their dues to society for offences committed in the past, either under the Criminal Records Act or under provincial statutes are not protected in terms of other discrimination that can be perpetrated against them in other aspects of daily life.

We received an eloquent submission from the Elizabeth Fry Society during our hearings requesting that other aspects of daily life—the provision of services, the receipt of services, the ability to have accommodation, the other kinds of matters that are included in these first five sections—also include the same provisions to protect people who have paid their dues to society.

It strikes me we are remiss if we do not do so at this point. I find it illogical that at one point we think someone should have the right to a job, but we do not feel that person should have the right to accommodation or the right to equal access to services. A possibility of discrimination is continued.

I note that we received a letter addressed to Mr. Renwick during the hearings of the committee in which a list of several organizations have

added their support to the Fry submission in terms of having this change in the legislation. This is not just Elizabeth Fry. The Ontario Mental Health Association, Operation Spring Board, the John Howard Society, Krever Committee on Jails and Justice and the Toronto Justice Council all support these additional moves.

It is important to remember that Life Together indicated that the point of a criminal record should not be a matter of discrimination. In past discussions with the minister, he has said complaints that were raised and brought to the attention of the Life Together report were primarily around employment and that is why we should deal with this now. It strikes me as being rather short-sighted not to include the other parts of everyday life. To think that somebody who has had a criminal record is not discriminated against in terms of housing in this province is ridiculous.

Perhaps that evidence was not brought forward sufficiently. But when somebody who lives in a high-rise is exposed as having been to jail at some point, it is quite possible and it is not unusual that a lot of pressure might be put on that person to leave that accommodation. There is no protection for that person under this act or under the Residential Tenancies Act to say that they could not be removed for that reason.

I know this is a sort of last-minute attempt to try to get this change from the minister, but it strikes me that we would be sadly remiss if we do not make the necessary adjustments and add these provisions. Let us be very clear. We are not talking about having a convicted rapist, who happens to be back on the streets after serving his term, living in a walk-up apartment in one's house. There is lots of protection in this act for bona fide reasons for that not being the case.

That is not what we are talking about. We are talking about people who have gone through that long process of clearing their name, and we are saying we are going to have a double standard for it. A person's name is cleared in terms of his job, but it is not cleared in terms of accommodation or services. That is strictly illogical, and I would request the minister to change his mind at this time and add the words "record of offences" to the four other sections that I have listed.

Hon. Mr. Elgie: Along with other members, the member for Scarborough West and I have had some interesting discussions about the issue of record of offences. It is a section that has

caused some degree of concern among great numbers of society. But the government believes it is an issue that should be addressed in the area and the context of employment. It has done so, and it is not prepared to accept any change in that position at this time.

Mr. Chairman: Those in favour of Mr. R. F. Johnston's amendment to section 1 will please say "aye."

Those opposed will please say "nay."

In my opinion the nays have it.

Amendment stacked.

On section 2:

Mr. Chairman: Shall all of section 2 carry?

Mr. Renwick: We intend to carry those sections but, assuming that the government has a change of heart on the various amendments which have been put, then of course at the time of the votes these sections could be put again. I assume that would be the procedure.

Mr. Chairman: Yes. Would it be your privilege to leave those sections according to the vote this evening?

Hon. Mr. Elgie: Why?

Mr. Chairman: Because all the proposed amendments have been to include sections 2, 3 and 5.

Hon. Mr. Elgie: So you want to vote on them individually, is that right?

Mr. R. F. Johnston: On a point of order: I think what the member for Riverdale is saying is that if the minister happens to change his mind, by some miracle, on the record of offences in section 1, we would want to make sure we were not excluded from 2, 3 and 5 as we move on.

It is almost illusory, but there it is.

Hon. Mr. Elgie: I think the member can relax on that one.

Ms. Copps: On the same point of order: As long as it is clearly understood that it is only those elements that have already been put in section 1 and no other new elements that will be reintroduced at a later date.

Mr. Chairman: That is our understanding.

Ms. Copps: Okay.

Mr. Chairman: Just to speed things along, we have got that understanding. Let us, if we may, go along with all the sections up to but not including section 9. Shall both sections carry, subject to the agreement?

On section 9:

Mr. Chairman: The honourable member for

Hamilton Centre (Ms. Copps) moved an amendment to Bill 7, that clause (a) of section 9 of the bill be amended by replacing the word 65 with the word 70 in the third line. The honourable member.

Ms. Copps: One of the reasons I am particularly pleased to move this amendment is because I think the issue of compulsory retirement has plagued this province for many months, and indeed for the last few years. We have recently had court decisions that have ruled against the principle of mandatory retirement at a particular age. I think this Liberal Party amendment is a step in the direction of eventually eliminating the compulsory retirement age altogether.

I do hope these members will be here tonight; there have been members on the government side in the past who have approved a similar amendment when it was introduced in private members' form by the member for York West (Mr. Leluk). Likewise, I have recently read in the Toronto Star that the member for Lakeshore (Mr. Kolyn) will be spearheading a campaign to see the retirement age increased from 65 to 70. So I trust these members will go against any position that does not support the increase of the retirement age from 65 to 70.

5 p.m.

Mr. Chairman, I know this vote will be stacked along with the others. If those members do not see fit to support it the comments they have made in the past cannot be taken in good faith. We have a very clear and simple way of extending the retirement age to 70. If those individuals who have gone on public record, including the front page of the Toronto Star, to state they will personally spearhead a campaign to change the retirement age, it would be nothing short of hypocritical for them not to come here tonight and support this amendment.

By abstaining from the vote, they will certainly not be doing their credibility any good. I invite the members for Lakeshore and York West, along with others who in the past session of the Legislature supported the change in the retirement age from 65 to 70, to join us in the debate today, and particularly to join us in the vote tonight.

I do not want to belabour the points made in committee. Albeit we may not be in agreement with his political philosophy, the president of the United States is well over the compulsory retirement age in this province. We certainly have members of this Legislature collecting pensions. We have a number of political people

as well as other professional people who are allowed to carry on in their chosen profession well beyond the age of 65. What we have operating here is a double standard.

I know there will be those within the NDP who would say they are not prepared to move on this amendment until we change Ontario's pension situation. I do not think one necessarily precludes the other. There may not be many individuals in Ontario who want to take advantage of this provision. I have in my constituency a stevedore who is well over the age of 70 and enjoys very much the kind of work he is doing on the steamships. To deny him the right to do that on the grounds that most people of his age could not carry out the work and they would rather be on a retirement pension is denying him the basic right to choose the kind of lifestyle he likes.

It goes against all the principles of small-l liberalism. I had some time this summer to go around and meet some of the major labour leaders across this province. Many of them indicated to me privately, although their public position was still to support the compulsory retirement age, that they do not believe in it. We are expecting, within their areas of responsibility, they will be changing that compulsory retirement age shortly.

We in the Liberal Party are at the forefront on this issue. I invite all members on all sides to set aside their personal political prejudices and consider the fact there are people in this province who are being denied the right to carry on in a job—

Mr. R. F. Johnston: How about 71-year-olds? How do you feel about them?

Ms. Copp: As far as I am concerned, I would like to see the lid taken off the retirement age in totality. I realize we have to get a good indication of how many people are going to take advantage of this provision. There are legislative precedents for a phase-in period. In the United States they have moved in with a five-year age 70 limit. They hope to see how many people will take advantage of the situation.

The records to date indicate it will affect only approximately five to 10 per cent of the population. I fail to see how any member in this Legislature who has the power—I think the other parties have some members in their own caucus who might fall into that category—to stay in office beyond the age of 65 can deny fellow citizens that same right.

I do not believe this should preclude any and all efforts on our part to improve pensions and

to move the pensionable level to a lower level. The critical question is that of choice and an individual having the right to carry on in his or her job. To state that, as a categorical policy, we must have a retirement age of 65 is antiquated. I know from past legislative records many members on the government side and certainly some members of the NDP would and could support this amendment. I urge those members to be here in the House tonight to be counted. If not, their words will ring very hollow and they will be turning the whole question of compulsory retirement age vis-à-vis the Conservative Party into a farce.

Mr. Renwick: Just a brief comment, Mr. Chairman: The member for Hamilton Centre makes a compelling argument on one side of a very complicated and difficult issue. I recognize the deep concern with which she expresses the need to look at the arbitrary nature of the ancient rule that people should retire at 65. I have reached the magic point in time where, about 363 days from now, I will be at that point. I do not intend to retire and, fortunately, I am in a position where I do not need to retire, and I do want to say to the member for Hamilton Centre that we in our party understand the problem created by that arbitrary rule.

I must say, however, that the study we have done in our own caucus and the consultations we have had with the organized labour movement in the province have given us very real cause to think about the pros and cons of the proposition, particularly where it relates to the immense disturbance in the planned arrangements made for so many people in the organized labour force through their collective bargaining agreements under the terms and conditions of their employment.

Speaking personally, and I think it is fair to say this also on behalf of our caucus, I welcome the approach taken by the minister in his statement of October 28, where he dealt at some length with this question and proceeded to indicate that he was going to have the Ontario Manpower Commission undertake a detailed examination of this problem in the context of the demographic composition of Ontario's work force and of employment practices in this province and to make recommendations as to what legislative protection, if any, might be extended to persons over age 65 in employment.

I may say the position he takes has a great deal of appeal to us at this time. I hope the minister will indicate what he has done to carry out this reference to the Ontario Manpower

Commission; how long he expects that commission to have to undertake the work and to make its recommendations to him, and through him, to the assembly; and what forum he sees for consideration being given to possible amendments to the code to meet some of the legitimate inquiries or comments that are made.

I remember, as I am sure the chairman of the standing committee, the member for Nipissing (Mr. Harris) will remember, when Professor Triantis came before us in the committee. Indeed, a synopsis of his position appeared in the *Toronto Star* just in the last week or two, and I think he has written as well to all the members of the committee, again emphasizing his concern about the arbitrary nature of the rule and the inequities it is causing.

I may also say that I think all the members of the assembly received a letter from the Ontario Professional Fire Fighters Association, expressing their concern about this rule and its implications and how it should be applied. That is only one association; there are many other associations concerned.

I empathize and sympathize with the sentiment underlying the amendment moved by the member for Hamilton Centre, but I think it would be precipitate for us at this time to support her amendment. But I want to have the minister's comments about his statement on October 28, and where we now stand in connection with that reference.

5:10 p.m.

Hon. Mr. Elgie: Mr. Chairman, may I indicate in response to the member for Riverdale that it was within two or three days, as I recall, that I wrote to the acting chairman of the Ontario Manpower Commission, Professor Alan Wolfson, requesting that he commence such a study. I have not heard back from him yet about what sort of time frame he envisages, but I want to assure the member that I have taken those initial steps along the terms of reference that I indicated in my statement, and I have personally followed that up with a conversation with Professor Wolfson; so there is no doubt that the terms of reference are in his mind and he will be proceeding with that study.

I do want to say, and I do not want to try to be in the least argumentative about this, that I do not think anyone should try to pretend that the member for York West (Mr. Leluk) was dishonest in his view when he said that he believes there should be no upper age of mandatory retirement. He believes that, and there are many members on this side of the House who

believe that in principle, but they have the courage to know that there are problems that have to be addressed in it, such as the problems of personnel practices, the problems of what happens to pensions, the problems of protecting those people who have planned for years to retire at age 65 and who might suddenly be faced with a pension plan that was changed without their consent.

Interjection.

Hon. Mr. Elgie: I tell you this in all sincerity, young lady: One cannot address this issue without thoughtful consideration of the real issues—the demographic issues, youth unemployment issues, pension benefits and the changes that may be suddenly thrown on people who had not planned it that way. Those are things that have to be considered.

Let there be no doubt in the honourable member's mind or in anybody else's that as a physician I have great sympathy with the position that she has taken with regard to the age of mandatory retirement, as does the member for York West, as does the member for Lakeshore (Mr. Kolyn). Let us not pretend that there is any disagreement about the principle. We are talking about the problems that may arise, and that is what we are going to address in the study.

We are not prepared to accept the amendment at this time.

Ms. Copps: That's not what he said in the *Toronto Star*. You can't have it both ways.

Mr. Chairman: All those in favour of Ms. Copps's amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Mr. R. F. Johnston: Close, but not close enough.

Mr. Chairman: The amendment is lost. I declare the amendment lost.

Ms. Copps: Mr. Chairman, five of us stood.

Mr. Cunningham: The member for York Centre (Mr. Cousens) would call it five.

Mr. Chairman: I want to point out that you leave me in a most embarrassing position. You made a point of order and indicated that the third party—

Ms. Copps: On a point of order, Mr. Chairman—

Mr. Chairman: Order, please. I have the floor. You indicated that the third party did not stand up, and we went through the whole

motion again. I very distinctly called for all those against, all those for and so on. I am sorry, but I only saw four members.

Ms. Copp: On a point of order, Mr. Chairman: The member for Niagara Falls (Mr. Kerrio) did stand up. He is a little slow on his feet, but he did stand up.

Hon. Mr. Elgie: Did he really stand up this time?

Mr. R. F. Johnston: Mr. Chairman, I think your eyesight is fantastic even if the member for Niagara Falls is a little slow on his feet these days. What you saw was four people standing, four people sitting down and one person who was tugged up afterwards.

Mr. Kerrio: Now that's impossible. That's impossible.

Mr. Chairman: Well, going beyond the call of duty and in recognition of the wonderful contribution that the member for Niagara Falls has made to this learned institution, I will recognize that he did stand up as the fifth member.

Amendment stacked.

Mr. Chairman: Mr. Renwick moves that section 9(a) of the bill be amended to read as follows: "age" means any age except in subsection 4(1), where "age" means an age that is 16 years or more and less than 65 years."

Mr. Renwick: Mr. Chairman, I raise the issue embodied in the amendment I have just put to the assembly because of the deep impression the submission of the organization Justice for Children made when it appeared before the standing committee on resources development. They raised a serious concern on two aspects of whether persons under the legal age of 18 would be covered against discrimination for services or accommodation and against harassment and all of the other prohibited grounds of discrimination included in the bill.

It was a double-barrelled problem concerning the definition later on in the bill of the term "person" as to whether, under the Interpretation Act and the common-law enunciation of that term, a person under the legal age or under particular ages would be considered a person for the purposes of this bill. Of course, all the clauses of the bill that have any operative effect deal only with persons.

It seemed to me one of the ways in which we could deal with it was to try to meet that requirement. If this amendment passes, when we come to the definition of "person" later on in the bill, it may be possible so to phrase that definition as to make certain it covers any individual regardless of age.

The second point seemed to me to require our attention, as Justice for Children pointed out to the committee: Age should not mean an age with a limit of 18 or over. We are talking now about the bottom limit. It made good sense to provide protection in this code by defining age to mean any age. It does not matter whether one is one, two, three, four, 44 or 54, that definition should be broadened to include everyone under as well as over the age of 18 for the purpose of ensuring that the rights under sections 1, 2, 3 and 5 of the bill would apply to such persons in the appropriate circumstances.

They made the second point as an alternative if we could not get the amendment of age the way they wanted it and the way I have tried to phrase it here. At least the 18 years could be dropped to 16. Members will notice that, for the purpose of employment, I have amended the proposed age of definition to drop the age of 18 to the age of 16. I did so for the compelling reason that the age of majority in the province for most purposes is now 18 years of age; but it is a fact that the school leaving age is still 16.

There are any number of persons who leave the school system at the earliest possible time, whether we like it or not, at age 16 and go out to seek employment. It does not seem to me that between the ages of 16 and 18 such persons should be in a different category with respect to their capacity to enter the labour force. Therefore, I have defined the term "age" for the purposes of section 4(1) to be 16 years of age or more and less than 65 years. Of course, we dealt with that question in the previous amendment moved by the member for Hamilton Centre.

5:20 p.m.

I commend this amendment to the assembly, because it reflects a very thoughtful, carefully prepared presentation by Justice for Children, which in my opinion is doing work in an area that has been neglected for a long time: the rights of children. They quote, and I am going to take a moment to quote here, a legal scholar whom I do not know, Professor Foster, who says:

"To break the stranglehold of history, we should consider children's rights as a method for denying that children are property. If the law starts to treat children as human beings with varying capacities to accept rights, then adults may be less inclined to seek support in the legal system for seeing children as property. This is not to say that children must be treated as small adults; it is simply a request that they be seen in the eyes of the law as human beings."

I commend that quotation to the consideration of the House, and I commend this amendment to the consideration of the House. It seems to me that for us in this society to talk about human rights and then to leave it open under the statute to be misconstrued in any way that everyone under the age of 18 is not a person, whether by virtue of the definition of age, which is in the bill before us that I am trying to amend, or whether by the strange language used to define the term "person" in one of the later sections near the end of the bill, somehow or other does a disservice to a large number of people in the society.

I therefore ask the support of the House for this amendment.

Ms. Copps: Mr. Chairman, just for the record, I am very glad that the New Democratic Party did move this amendment, because I moved the very same amendment in committee and one of the members of the NDP did not support it. So it is a good thing they have had the opportunity at this moment to clarify their position.

I moved that the age of 18 be reduced to the age of 16 for a number of reasons, not the least of which is that not only in employment but also in services and accommodations there are many other problems for young people who fall within that undefinable age between the ages of 16 and 18.

Obviously, we can support this amendment, since we were its original initiators. In fact, the amendment might have passed in committee and become a government amendment had all the members of the NDP supported it at that time. But one of their two members did not support it, and the Liberal Party was the only party that spoke with unanimity on it.

Unfortunately, the member for Lake Nipigon (Mr. Stokes) was not aware of the fact that it was the NDP position, and for that reason he voted against it. If the NDP members take a look at the record, I think they will find that the member for Lake Nipigon did not support that amendment. I am glad they have had a chance to clarify their position, and we will certainly be able to support this amendment.

Mr. Renwick: Mr. Chairman, if it would further the cause of justice for children, I will withdraw the amendment so that my friend the member for Hamilton Centre can place it on the record. Our interest is justice for children, not nitpicking about partisan advantage or disadvantage.

Ms. Copps: Mr. Chairman, I assume that this was raised on a point of order. In fact, if their interest had not been partisan, they would have been there in the committee with properly informed people and would have supported the amendment.

Hon. Mr. Elgie: Mr. Chairman, I just want to say that we had great discussions about this in committee. The members know the government's concern, which relates to the issue the member for Riverdale raised: the age of majority, the age at which one can contract for services other than necessities.

I see some problems if we consider the extreme situation in which a two-year-old could claim the right to membership in a trade or occupational association. There are some anachronisms that I think we have to face; we have to face the realities of the age of majority and what you can do and be held responsible for below that age.

For those reasons, the government is not prepared to accept the amendment.

Mr. Renwick: Mr. Chairman, I never like to be argumentative with the minister, but I just want to say that I find his reply incomprehensible in the light of the reasoned dissertation placed before the committee. I trust he will do us the courtesy of reconsidering his position, if not before the vote tonight, at the earliest possible opportunity.

Hon. Mr. Elgie: Mr. Chairman, I will state to the member for Riverdale, in line with the commitment I gave the committee on the issue of employment with respect to youths between the ages of 16 and 18, that this matter also has been referred to the manpower commission for its consideration. Otherwise, the government remains unwilling to accept the amendment.

The Deputy Chairman: All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Amendment stacked.

Mr. Renwick: Mr. Chairman, I want to speak to the minister. I have not had an opportunity to raise this with him. It falls into the area of a technical consideration. I ask the minister and his advisers to consider this particular technical amendment. I have not put it on paper, because I think I can draw it to their attention very simply.

The Deputy Chairman: What clause are you at, please?

Mr. Renwick: Perhaps I should go on, because I am somewhere between section 9(b) and section 9(c). Let me make my point—

The Deputy Chairman: That makes it very tricky for me to rule on—

Mr. Renwick: I do not want you to rule. God forbid. All I want to do is to make the point that in committee we dropped the definition of “discrimination” that was in the bill. Unfortunately, there are two or three places in the bill where I believe a consequential amendment should be made. I ask the minister and his advisers at the table, particularly counsel to the minister, to look at the words “the exclusion, qualification or preference” as they appear in section 10 of the bill, which now should read simply “discrimination.”

Ms. Copps: A point of order, Mr. Chairman: Are we on section 9 or section 10 at the moment?

The Deputy Chairman: We are on section 9. That is the concern I had. It is in committee. If he is in a position to lead into it, I want to give him the opportunity to finish; then he does have an amendment to follow.

Mr. Renwick: If necessary, I will put the technical amendment and take the time of the House to do it.

I am asking the minister if he will look at the failure to make the consequential amendments in section 10 of the bill and in section 24(3)(a) and (b)—I believe those are the only places. It seems to me that with the elimination of the definition of “discrimination,” we should now eliminate, where they appear in the bill inappropriately, the words “distinction, exclusion or preference,” which were part of that original definition, and substitute for them the word “discrimination” with whatever other grammatical change needs to be made.

If the minister will consider it and let me know, then I will not have to move the amendment; but otherwise I would like to move the amendment.

The Deputy Chairman: I will ask the minister, through you, to report back along the way.

Hon. Mr. Elgie: Fine.

The Deputy Chairman: Mr. Renwick moves that section 9(c) be amended by adding before the word “requirements” the words “reasonable and bona fide.”

Mr. Renwick: Mr. Chairman, my point may appear to be subtle. The definition of the word “equal” is a very essential definition with

respect to the bill, because that is what we are talking about: equal treatment in all the substantive operative provisions of the bill. The present definition simply says, “equal” means subject to all requirements, qualifications and considerations that are not a prohibited ground of discrimination.”

It appears to me that if the words “requirements, qualifications and considerations” are not modified by the words “reasonable and bona fide,” we leave the door open to an indirect form of what could be defined as systemic discrimination—not that I understand what those terms may mean. By requiring that all the requirements, qualifications and considerations be reasonable and bona fide, I think it is only asking what should be the case.

Second, it makes certain that disguised as a requirement, qualification or consideration, a person cannot pretend that equal treatment is being provided to persons when there is a discriminatory characteristic in one of the requirements, qualifications and considerations that would not meet the test of being reasonable and bona fide.

Hon. Mr. Elgie: Mr. Chairman, the government cannot accept that amendment. The code has been divided up into various portions, the prohibited areas and the exemptions. Under the exemptions, it is a prerequisite that there should be a reasonable and bona fide reason given for an exemption. To have a reasonable and bona fide reason for an exemption from a reasonable and bona fide definition of equal, I suggest, gets us into a very complicated arrangement. The government feels the definition of “equal” should stay as it is in the bill.

Mr. Chairman: All those in favour of Mr. Renwick’s amendment will please say “aye.”

All those opposed will please say “nay.”

In my opinion the nays have it.

Amendment stacked.

Mr. Chairman: Mr. Renwick moves that section 9(h) of the bill be struck out and the following substituted therefor:

“(h) ‘record of offences’ means a conviction for: (i) an offence in respect of which a pardon has been granted under the Criminal Records Act (Canada) and has not been revoked; or (ii) an offence punishable on summary conviction in proceedings under part XXIV of the Criminal Code; or (iii) an offence in respect of any provincial enactment.

Mr. Renwick: Mr. Chairman, again I ask the minister and his advisers to take this under

consideration. The definition of "record of offences," as proposed in the bill that is before us, groups together all offences in respect of which a pardon has been granted under the Criminal Records Act (Canada) and has not been revoked.

That is a very complete definition of the kinds of convictions that would have the benefit of a record of offence for the purpose of being a prohibited ground under section 4. Unless the amendment proposed by my colleague the member for Scarborough West (Mr. R. F. Johnston) is carried, it will be limited to section 4, but we believe it should apply as well to sections 1, 2 and 5 in the bill.

I apologize for being technical about it with the minister, but he has his technical advisers and is himself a lawyer of renown.

The definition in the Criminal Records Act of the Parliament of Canada states, "A person who has been convicted of an offence under an act of the Parliament of Canada or a regulation made thereunder may make application for a pardon in respect of that offence." Therefore, we are talking about getting a pardon not just for convictions under the Criminal Code or criminal law statutes of the federal Parliament, we are talking about a multitude of federal statutes that may have very minor fines or other monetary penalties imposed under them.

For example, I am sure if the member looked at the Fisheries Act he would probably find there could be an offence against a provision of the Fisheries Act where, if punishable on summary conviction, the fine might be \$25. It seems to me inequitable to suggest that a person must wait for five years plus another year or two by the time the Royal Canadian Mounted Police carry out the investigation and grant the pardon for that offence, and that a person should be inhibited in his right to obtain employment because of that kind of record of offence.

What I have tried to do, and I believe it has been accomplished—I consulted with legislative counsel about it, not that they are supporting me—but in order to clarify the confusion which I think existed, members will note that while section 1 in the proposed amendment subsumes section 2, nevertheless section 2 is a separate and distinct category of its own. That is an offence punishable on summary conviction in proceedings under part XXIV of the Criminal Code. That is very much identical with offences in respect of any provincial enactment.

The minister will know that under the acts of the Parliament of Canada all of the very minor

offences—using the example I gave of the Fisheries Act—would be via proceeding under the summary conviction provisions of the code just as an offence under a provincial statute of all kinds is triable in accordance with the Provincial Offences Act, formerly tried in accordance with the Summary Convictions Act of this province.

Therefore, by adopting this resolution I think we will cover a serious gap that the minister had, by inadvertence, created in the bill. Let me put it very simply. I would find it extremely difficult to have a person affected at all, even in a minuscule way, in his employment or in his application for employment, because he had been convicted under the Fisheries Act, paid a fine of \$35 or \$50 and found that the record of offence was still available to be used against him unless he could produce after five, six or seven years a pardon from the crown.

Interestingly enough, of course, there is no pardon provision in Ontario for offences under provincial enactments. But I think and I trust I have made an important and I believe a technical point. I would expect and hope that the minister and his advisers might be empathetic enough to consider and adopt it.

Hon. Mr. Elgie: Mr. Chairman, I want to assure the member that I do have some understanding of what the bill as we have drafted it intends. It intends to include both indictable and summary convictions. The member can give an example of the Fisheries Act if he wishes, but let us also not try to deceive anybody that under summary convictions we can have theft, fraud and assault. So this government intends that the section apply to both indictable as well as to summary convictions and would not accept the amendment.

Mr. Renwick: I am very pleased the minister has raised that. What does he do about offences under the Securities Act of this province? Under a provincial statute, these are very serious charges and very serious offences are committed under that act touching upon fraud, as the minister indicates. Yet he produces a bill where in that case the mere conviction for that offence eliminates it as a matter for consideration in the cases of employment.

I agree with the minister that under the summary conviction provisions there is a wide band of offences, but he cannot have it both ways. He cannot punish the large number of people who are subject to relatively minor fines or minor sentences by using this phrase. To suggest that if it is a serious offence under the

federal law, the person should be charged by way of indictment, if the Crown, as in many cases, makes the election, then the minister cannot get away with that specious argument. I was rather hopeful that the minister might have considered that amendment to be at least worthy of some consideration.

5:40 p.m.

Mr. Chairman: Mr. Renwick moves that section 9(h) of the bill be struck out and the following substituted therefor: (h) "record of offences" means a conviction for, (i) an offence in respect of which a pardon has been granted under the Criminal Records Act (Canada) and has not been revoked, or (ii) an offence punishable on summary conviction, and proceedings under part XXIV of the Criminal Code, or (iii) an offence in respect of any provincial enactment.

Those in favour of Mr. Renwick's amendment to section 9 will please say "aye."

Those opposed will please say "nay."

In my opinion the nays have it.

Amendment stacked.

Mr. Chairman: Ms. Copps moves that section 10 of the bill be amended by adding thereto, the following clause:

"'Reasonable accommodation for handicapped' means the conditions that are necessary to enable a person having a handicap to enjoy a right under part I, and that are capable of being provided at a cost that would not cause undue hardship, including: (i) the means that are appropriate to enable a person having the handicap to have access to and enjoy the amenities of premises, facilities, and (ii) in respect of a right under section 4(1), the adaptation of equipment and essential duties to enable the person having a handicap to perform the employment."

Ms. Copps: The reasons for our inclusion of the concept of reasonable accommodation have been well documented in committee. Unlike our colleague from the New Democratic Party who seems to want to introduce every amendment, we really do not want to labour the point on a number of amendments that have already been raised.

Hon. Mr. Elgie: On a point of order, Mr. Chairman: This is worded as a definition.

Ms. Copps: The way the definition is worded, we will have to—

Hon. Mr. Elgie: That would not be an amendment to section 10. What you have got there is a definition.

Mr. Chairman: Would the member for Hamilton Centre clarify?

Ms. Copps: The clarification is that the definition will have to be included at a section further on in the bill. We want to include the definition at this point so that we can refer later on to reasonable accommodation. This is section 10.

I am sorry. I guess the definition I have been referring to had been under section 9 of the previous bill, and I had moved it under section 10 in the new bill. To be under the definitions that should have been moved under section 9.

Mr. Chairman: It should be where?

Ms. Copps: It should have been under section 9, but if the committee feels that section 9 has already been passed by, I would be happy to proceed with the amendment later in the act.

Mr. Chairman: Do I have consent from the committee to go back to section 9 so that we can deal with this?

Agreed to.

Mr. Chairman: You have moved it and we will accept that this is part of section 9, in that case.

Ms. Copps: Thank you, Mr. Chairman, and thank you for your understanding. The renumbering process in the bill has certainly been fairly lengthy.

As I said in committee, one of the reasons we feel the principle of reasonable accommodation is primary is that under the legislation as it presently exists the minister and the government are aware that the notion of reasonable accommodation is not applied when a person first goes for employment, for example. Particularly with the notion of accessibility, we are having a human rights bill presented here whereby a prospective employee could be denied an interview for a job simply because he or she could not get into the door. Even if a door frame could be modified at low-cost or no-cost modification, the present bill does not allow for any kind of accommodation unless and until a violation of the human rights code has been alleged.

Our contention in this party is we would rather see a conciliatory, constructive approach between employers and prospective employees. We feel the notion of reasonable accommodation, bearing in mind the low-cost or no-cost proviso, would create a climate whereby employ-

ers and prospective employees would work together to develop accessibility in this province.

To say an employer can have an accessibility order only after a human rights violation has been filed is an extremely difficult situation, because one then places a disabled person who may be in a wheelchair in a situation whereby an infraction of the human rights code can never be proven because he cannot get in the door to have an interview. Our reason for including the notion of reasonable accommodation is in the spirit that the human rights code should be conciliatory rather than confrontational.

We feel the present wording of the act not only develops a confrontation situation between a prospective employee and an employer, but it will also deny a great number of disabled people the access to employment they so desperately need. We know in this province among our disabled the unemployment rate is approximately 75 to 80 per cent. We feel that if we are able as a government and a party to endorse low-cost or no-cost modifications that would be involved in reasonable accommodation, we may be able to do something to encourage greater employment of the disabled.

We feel in this International Year of Disabled Persons it is extremely important the human rights code not only be seen to respond to the needs of the disabled but that it will also respond to the needs of the disabled. As this present code is worded, without the inclusion of "reasonable accommodation," unfortunately, the act has no teeth. Reasonable accommodation will allow the disabled access to employment that we feel is certainly of primary importance in the International Year of Disabled Persons.

Mr. Renwick: Mr. Chairman, without going into the niceties or elegance of the way in which the amendment has been put, we would support anything that is proposed by any member of the assembly if it goes any distance towards the question of reasonable accommodation for handicapped persons.

I appreciate the intent and purpose of the amendment moved by the member for Hamilton Centre. If some elegance is required in its drafting or its wording, then the legislative counsel and the counsel for the minister can easily accomplish that. The gut provision is the denial by this government and this minister of a reasonable accommodation provision to advance the cause of equal treatment for handicapped people.

Hon. Mr. Elgie: Mr. Chairman, this amendment has been discussed in detail. I have tried to make the government's position perfectly clear. It feels quite sincerely that human rights legislation should address itself to discrimination and not to whether an owner of a building or an employer happens to be in facilities that are inaccessible.

Reasonable accommodation implies quite directly and specifically that failure to make an attempt to make accommodation in a building which may or may not be accessible is in itself discrimination. The government does not feel the great majority of society would accept that is discrimination, and is not prepared to accept an amendment such as this, which would make the failure to accommodate evidence of discrimination and, in fact, discrimination on its own without any evidence of attitudinal discrimination. So the government cannot accept the amendment.

Ms. Copps: On the point raised by the minister, in the last few months I have had conversations with employers who have stated clearly they have no interest in hiring the disabled. For that reason, they have no intention of making their buildings accessible. If you will refer back to the remarks of several Coalition on Human Rights for the Handicapped experts, including David Lepofsky and other lawyers who advocate on behalf of the disabled, the whole question of accessibility is primary.

One will certainly find situations where an employer will deliberately deny accessibility to a building simply because he or she does not want to hire the disabled.

5:50 p.m.

I have had that statement made to me by an employer who was in a position to receive assistance to renovate his building. Basically, he was in a position to receive government assistance. He had no interest in hiring the disabled, even when he was told someone would come to his door and build his ramp at no cost to himself.

By leaving out the notion of reasonable accommodation, bearing in mind that with it the conditions of low-cost or no-cost modifications and no undue financial hardship are apparent, by deciding to set aside this whole amendment you are leaving open a door whereby any person who does not want to hire a handicapped person in this province simply has to say, "I will not make my building accessible, and therefore I cannot be found guilty of any human rights violation."

We are talking about a situation where the human rights commission could come in and make a finding of reasonable accommodation where there is no undue financial hardship, and it certainly is the key to creating accessibility in employment for the disabled.

Without that, I am afraid this legislation that is geared to the disabled community in the International Year of Disabled Persons is without teeth. Under those circumstances, we have to urge you to support the amendment for reasonable accommodation.

The Deputy Chairman: Ms. Copps has moved an amendment to section 9 of the bill.

All those in favour of Ms. Copps's amendment will please say "aye."

All those opposed will please say "nay."

In my opinion, the nays have it.

Amendment stacked.

On section 10:

Hon. Mr. Elgie: Mr. Chairman, the member for Riverdale asked earlier if I would have some discussions with staff about section 10, and I wonder if we could set aside section 10, and deal with it immediately upon returning. Is that all right, Mr. Renwick?

Mr. Renwick: Agreeable, Mr. Minister.

Section 11 agreed to.

On section 12:

The Deputy Chairman: Mr. Renwick moves that section 12(1) be amended by inserting before the word "notice" the word "statement."

Mr. Renwick: Mr. Chairman, the section would then read, "A right under part I is infringed by a person who publishes or displays before the public, or causes the publication or display before the public of any statement, notice, sign, symbol, emblem, or other similar representation that indicates the intention of the person to infringe a right under part I, or that is intended by the person to incite the infringement of a right under part I."

Of course, subsection 2 of that section preserves freedom of expression, "Subsection 1 shall not interfere with freedom of expression of opinion."

The members will recall, certainly the members of the committee, that in the bill which was before us there was the definition of the term disseminate, and there was a provision in the bill which stated that a right under part I is infringed where any matter, statement, or symbol is disseminated that indicates an intention to infringe the right or that advocates or incites the

infringement of the right. In the original bill there was no clause reservation with respect to the freedom of expression of opinion, even though there is in the existing code.

Because of the concerns which were expressed by a number of people, concerns which I also expressed about the question of freedom of expression and freedom of opinion, the clause was addressed by the minister. He, in one of his statements, indicated he was going to revise it, and we have the revised section before us.

What concerns me is that the present section, as now before us, is a vast improvement and speaks directly to the very point which is of concern to me, namely "the intention of a person to infringe a right under part I"—that is to infringe the statute—"or that is intended by the person to incite the infringement of a right under part I," which is to incite the infringement of the statute, is now limited in the clause before us simply to notices, signs, symbols, emblems or other similar representations.

That means the kind of scurrilous literature which is circulated from time to time in my riding and in other ridings, usually without any attribution of the person who is making the statement, would not fall under this provision of the bill and the statements in such a bill inciting to infringement of rights of people under this or being seen to express an intention of the infringement of rights would not be included.

This speaks more to graphic symbolic presentation than it does to the written word and I urge the minister to accept the addition into the bill of the single word "statement." I think it preserves the intention, the limited intention that we want to preserve in the bill, and I think it is consistent with meeting the kind of concern which we have talked about in his estimates from time to time in relation to literature—if one can dignify it by that term—which is circulated from time to time by people who want to incite in the society a continuation of discrimination on the basis of race, creed or colour or any other of the prohibited grounds.

Ms. Copps: Mr. Chairman, this is the first time we have seen this particular amendment, but on the first reading I would have to say that we cannot support this amendment because the notion of restricting publication of statements—having been a former newspaper reporter—could very well lead us into the situation of having our newspapers subject to libel suits for reporting what subsection 2 states, "not interfere with freedom of expression of opinion."

We could find ourselves in the ridiculous

situation where a person who, as a newspaper reporter, is doing his or her job in quoting a statement made by someone who is in the process of carrying out free expression of opinion is then potentially subject to a libel suit. We could not support that amendment.

Mr. Renwick: I do not know whether at this hour of the day that deserves a comment. That is a specious suggestion. The very provision of subsection 2 states, "Subsection 1 shall not interfere with freedom of expression of opinion." We are not talking about freedom of expression of opinion. We are talking about statements which deliberately incite or express an intention to incite an infringement of this code, and the reporting by people in the press is not going to subject anyone to a libel and slander suit.

We have had the argument. We had it before the Ministry of the Attorney General when we amended the Libel and Slander Act some time ago, and I do not pretend to be an expert in that field and the intricacies of that field. If that should prove to be a problem, and I doubt if it would—I used the term "specious" about that

suggestion as to why this would not be proposed—then the balance of convenience indicates and the balance of the public good indicates that the kind of statements that circulate in Riverdale riding about the prohibited grounds of discrimination and the racial tension which is created by the distribution of those statements in my riding, if that is going to be allowed, then I would suggest it is not beyond the wit and wisdom of the government and of the newspapers to devise a proposed amendment to the Libel and Slander Act which would protect the publishers in relation to reporting facts.

These are very difficult, knife-edged decisions that often have to be made but the provisions of this code are such that my proposed amendment would not in any way interfere with the free expression of opinion or the free reporting of information in the press or other media in the country. I would ask that the matter be seriously considered.

The House recessed at 6 p.m.

CONTENTS

Tuesday, December 1, 1981

Statements by the ministry

Henderson, Hon. L. C., Minister of Agriculture and Food:

Assistance to beef producers. 4070

Norton, Hon. K. C., Minister of the Environment:

Liquid waste disposal. 4067

Pope, Hon. A. W., Minister of Natural Resources:

Industrial minerals development program. 4068

Walker, Hon. G. W., Minister of Consumer and Commercial Relations and Provincial Secretary for Justice:

Odometer rollbacks. 4069

Oral questions

Bennett, Hon. C. F., Minister of Municipal Affairs and Housing:

Conversion to condominiums, Mr. Sweeney, Mr. Grande. 4072

Elgie, Hon. R. G., Minister of Labour:

Employee health and safety, Mr. Gordon. 4078

Henderson, Hon. L. C., Minister of Agriculture and Food:

Assistance to beef producers, Mr. Sheppard, Mr. Riddell. 4079

Assistance to beef producers, Mr. Pollock, Mr. Eaton. 4082

McMurtry, Hon. R. R., Attorney General and Solicitor General:

Allegations of police brutality, Mr. Elston, Mr. Breaugh. 4076

Political espionage, Mr. MacDonald. 4077

Charges against judges, Mr. Cooke, Mr. Breithaupt. 4079

Organized crime informer, Mr. Breaugh. 4081

Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics:

BILD program, Mr. Cassidy, Mr. Wildman, Mr. Mancini, Mr. Mackenzie. 4074

Norton, Hon. K. C., Minister of the Environment:

Liquid waste disposal, Mr. Sweeney, Mr. Cassidy. 4071

Cobex removal, Mr. Wrye, Mr. Newman. 4080

Timbrell, Hon. D. R., Minister of Health:

User fees, Mr. McKessock, Mr. McClellan. 4078

Petitions

GO Transit service, Mr. Cousens, tabled. 4082

Cobex removal, Mr. Wrye, tabled. 4082

Motions

Estimates, Mr. Wells, agreed to. 4082

First reading

Election Finances Reform Amendment Act , Bill 182, Mr. Samis, agreed to.	4082
---	------

Second readings

Bankfield Consolidated Mines Limited Act , Bill Pr9, Mr. Robinson, agreed to.	4085
Burford Lions Club Act , Bill Pr15, Mr. Nixon, agreed to.	4085
Jacinta Investments Limited Act , Bill Pr19, Mr. Rotenberg, agreed to.	4085
Township of North Dorchester Act , Bill Pr25, Mr. Eaton, agreed to.	4086
City of Kanata Act , Bill Pr31, Mr. Mitchell, agreed to.	4086
Town of Bracebridge Act , Bill Pr32, Mr. Eves, agreed to.	4086
Town of Gravenhurst Act , Bill Pr33, Mr. Eves, agreed to.	4086
Town of Huntsville Act , Bill Pr34, Mr. Eves, agreed to.	4086
Township of Chandos Act , Bill Pr36, Mr. Pollock, agreed to.	4086
Tordom Corporation Continuation Authorization Act , Bill Pr40, Mrs. Scrivener, agreed to.	4086

Committee of the whole House

Human Rights Code , Bill 7, Mr. Elgie, recessed.	4086
---	------

Third readings

Environmental Protection Amendment Act , Bill 143, Mr. Norton, agreed to.	4085
Bankfield Consolidated Mines Limited Act , Bill Pr9, Mr. Robinson, agreed to.	4085
Burford Lions Club Act , Bill Pr15, Mr. Nixon, agreed to.	4085
Jacinta Investments Limited Act , Bill Pr19, Mr. Rotenberg, agreed to.	4085
Township of North Dorchester Act , Bill Pr25, Mr. Eaton, agreed to.	4086
City of Kanata Act , Bill Pr31, Mr. Mitchell, agreed to.	4086
Town of Bracebridge Act , Bill Pr32, Mr. Eves, agreed to.	4086
Town of Gravenhurst Act , Bill Pr33, Mr. Eves, agreed to.	4086
Town of Huntsville Act , Bill Pr34, Mr. Eves, agreed to.	4086
Township of Chandos Act , Bill Pr36, Mr. Pollock, agreed to.	4086
Tordom Corporation Continuation Authorization Act , Bill Pr40, Mrs. Scrivener, agreed to.	4086

Other business

Use of time in question period , Mr. Mancini.	4082
Motion to suspend normal business , Mr. Wildman, Mr. Smith, Mr. F. S. Miller, ruled out of order.	4083
Answers to questions on Notice Paper , Mr. Wells, tabled.	4085
Recess	4105

SPEAKERS IN THIS ISSUE

Bennett, Hon. C. F.; Minister of Municipal Affairs and Housing (Ottawa South PC)
Boudria, D. (Prescott-Russell L)
Bradley, J. J. (St. Catharines L)
Breaugh, M. J. (OshawaNDP)
Breithaupt, J. R. (Kitchener L)
Cassidy, M. (Ottawa Centre NDP)
Cooke, D. S. (Windsor-Riverside NDP)
Copps, S. M. (Hamilton Centre L)
Cousens, D.; Deputy Chairman (York Centre PC)
Cunningham, E. G. (Wentworth North L)
Cureatz, S. L.; Chairman (Durham East PC)
Di Santo, O. (Downsview NDP)
Eakins, J. F. (Victoria-Haliburton L)
Eaton, R. G. (Middlesex PC)
Elgie, Hon. R. G.; Minister of Labour (York East PC)
Elston, M. J. (Huron-Bruce L)
Gordon, J. K. (Sudbury PC)
Grande, T. (Oakwood NDP)
Henderson, Hon. L. C.; Minister of Agriculture and Food (Lambton PC)
Johnston, R. F. (Scarborough West NDP)
Kerrio, V. G. (Niagara Falls L)
MacDonald, D. C. (York South NDP)
Mackenzie, R. W. (Hamilton East NDP)
Mancini, R. (Essex South L)
Martel, E. W. (Sudbury East NDP)
McClellan, R. A. (Bellwoods NDP)
McKessock, R. (Grey L)
McMurtry, Hon. R. R.; Attorney General and Solicitor General (Eglinton PC)
Miller, Hon. F. S.; Treasurer of Ontario and Minister of Economics (Muskoka PC)
Newman, B. (Windsor-Walkerville L)
Norton, Hon. K. C.; Minister of the Environment (Kingston and the Islands PC)
Peterson, D. R. (London Centre L)
Pollock, J. (Hastings-Peterborough PC)
Pope, Hon. A. W.; Minister of Natural Resources (Cochrane South PC)
Reid, T. P. (Rainy River L-Lab.)
Renwick, J. A. (Riverdale NDP)
Riddell, J. K. (Huron-Middlesex L)
Samis, G. R. (Cornwall NDP)
Sargent, E. C. (Grey-Bruce L)
Sheppard, H. N. (Northumberland PC)
Smith, S. L. (Hamilton West L)
Sweeney, J. (Kitchener-Wilmot L)
Timbrell, Hon. D. R.; Minister of Health (Don Mills PC)
Turner, Hon. J. M.; Speaker (Peterborough PC)
Walker, Hon. G. W.; Minister of Consumer and Commercial Relations and Provincial Secretary
for Justice (London South PC)
Wildman, B. (Algoma NDP)
Wrye, W. M. (Windsor-Sandwich L)



Ontario. LEGISLATIVE ASSEMBLY

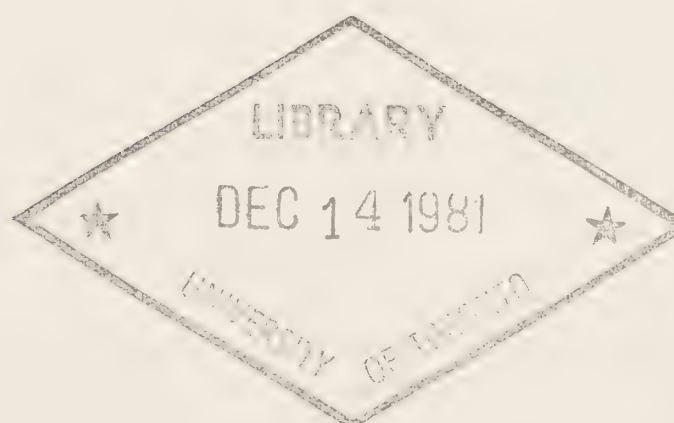
1 2

No. 115

Legislature of Ontario Debates

3

Official Report (Hansard)



First Session, Thirty-Second Parliament

Tuesday, December 1, 1981

Evening Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Tuesday, December 1, 1981

The House resumed at 8 p.m.

House in committee of the whole.

HUMAN RIGHTS CODE

(continued)

Resuming consideration of Bill 7, An Act to revise and extend Protection of Human Rights in Ontario.

On section 12:

The Deputy Chairman: We were just in the process of considering the amendment made by the member for Riverdale (Mr. Renwick) to section 12(1), which would be amended by inserting before the word "notice" the word "statement." The honourable member for Hamilton Centre (Ms. Copps) was about to say a word or two, and it would be very gratifying if she wanted to carry on. Otherwise the discussion is pretty well—

Mr. Nixon: Mr. Chairman, you will recall the honourable member for Hamilton Centre indicated that she and her colleagues in the Liberal Party will not support the amendment because she feels it interferes with freedom of the press.

The Deputy Chairman: Thank you. Is there any further discussion on this amendment?

Mr. Renwick: Mr. Chairman, I can quite understand why the member for Brant-Oxford-Norfolk would make that statement, but I do not understand the reasons behind it. I very clearly tried to indicate the minister and I agreed that freedom of expression is not to be interfered with, and freedom of expression includes freedom of the press, freedom of the media to carry out their lawful responsibilities, subject to the law.

I would be very disappointed after the discussions I have had with the minister in committee on the question of hate literature if he were not prepared to accept this amendment. But I may say as we start the evening that I do not expect him to do so, given his rigidity over a period of time about this bill and given the fact that he has been frozen into a stance by the adverse reactions of the press. This seems to have made him totally incapable of accepting even the most reasonable amendments, let alone the most proper amendments.

Hon. Mr. Elgie: Mr. Chairman, I would like to think I am adding a bit of reasonableness to the discussion tonight. I have always looked at myself as what Mr. Justice McRuer called a reasonable man. I like to think the amendments the government proposed are already reasonable and do not need the additions the member is referring to, although I have always valued the discussions we have had.

The issue he has raised in relation to section 12, as both he and I and other members know, has been an area of great contention not only in the press but among members of his party and members of all parties. Indeed, I recall reading some of his very own comments about the original section 12, which dealt with what we saw as some efforts to control statements and literature that were intended to incite others to contravene the code. I know he was disturbed by that, because he was quite vociferous about it.

I understand that. I went through the same process he did in reaching the conclusion I did that if we enter into the area of statements, then we do enter into the area where we infringe upon what is hate literature. I understand the limitations of the Criminal Code provision with regard to hate literature. But I hope he is flexible enough to agree with me: if the issue of hate literature in any specific context is to be dealt with, then it is an issue that should be dealt with, as the Attorney General in British Columbia has done, in a specific way with a specific piece of legislation. Surely that is something, should the occasion arise, that should be dealt with by the Attorney General.

I am not indicating inflexibility. I am indicating a sensitivity to the concerns that were raised about the possibility of impinging upon free expression of opinion. The revised section 12 is a response to the concern that the member and others have expressed. The government therefore feels, in the light of those legitimate criticisms, it must remain in its position that the section as rewritten is the appropriate one.

Mr. Renwick: Mr. Chairman, I simply want to read the amendment into the section without all the excess verbiage, for two purposes: to refute the suggestion that any statement of mine in this

connection relates to an infringement of the right of a newspaper reporter to report information, and second, if the minister will listen to what I have to say, I think he will understand what I am talking about.

I have asked that this section read: "A right under part I is infringed by a person who publishes a statement that indicates the intention of the person to infringe a right under part I or that is intended by the person to incite the infringement of a right under part I." The only person affected by this section is the person who publishes statements that indicate the intention on his or her part to infringe a right under part I or that is intended by him or her to incite the infringement of a right under part I.

It was because of the obvious care that had gone into the draftsmanship that I cannot conceive for one single moment there is a vicarious responsibility on the reporter who would report a statement by a person of an intention to infringe a right under part I or to incite the infringement of a right under part I. I would consider it the duty and responsibility of the press to report any such statement, factually and accurately.

I would, as a second line, simply refer to section 12(2), which says that subsection (1) shall not interfere with freedom of expression of opinion. I cannot conceive that textually, from the point of view of the problem many of us face, that is not a totally reasonable amendment, a totally appropriate amendment and one in regard to which I will never understand, in the absence of an expression by the minister, where I am at fault in my understanding of what the clause says.

I do appreciate what the minister says. When I said he was being rigid and inflexible, that was not a reflection on his sensitivity. Underneath all that intellectual demeanour, I know the minister is very sensitive about these issues. But unless I am textually wrong, I think the amendment is necessary and appropriate.

8:10 p.m.

Hon. Mr. Elgie: I really want to make just one windup comment. I think the honourable member from Riverdale and I understand each other pretty well. Let me just read the original wording of section 12 which he and others had some concern about with regard to the dissemination of discriminatory matter. Let me read selectively, Mr. Chairman: "A right under part I is infringed where any . . . statement is disseminated that indicates an intention to infringe . . . or incites the infringement of the right."

The honourable member is proposing, again reading selectively, the revised section 12: "A right under part I is infringed by a person who publishes or displays . . . any notice . . . that indicates the intention of the person to infringe a right . . . or that is intended by the person to incite the infringement of a right . . ."

They are really very similar. That original writing of section 12 which caused the honourable member and others concern, I think still remains in the rewording the honourable member proposed. I think the original comments I made about hate literature and about the need to address the issue directly or any issue directly, as they have done in British Columbia, would surely be the proper approach. The honourable member knows full well the concern that was expressed about the original section 12.

I have no further comments, Mr. Chairman.

Mr. Renwick: I am not asking the minister to make any further comment unless he chooses to do so. The problem with the original section in the bill, which the minister read and which I read before the dinner recess, was the term "disseminate." Defined under part II, section 9(d) in the original bill, the word caused very real concern to me, in the absence of any provision for protection of freedom of expression, but in itself was a very poor definition. Let me read it:

"'Disseminate' means to communicate or participate in the communication with another, whether directly or indirectly or with or through another, by whatever means."

That definition caused the original section 12 of the bill to be totally flawed. I was impressed by the fact that, in committee, the definition of "disseminate" disappeared and the word disappeared from the provision of section 12. We used the normal word "publish" and we limited it to the person who published the statement, indicating the intention by that person to incite an infringement or to indicate an intention to infringe.

These discussions always get somewhat technical. But the minister cannot leave the debate on the proposition that the original section itself was flawed only by its terms; it was flawed by the definition of "disseminate." That is where the problem came. Then one had the situation where a reporter reports a statement by a person of an intention to infringe a right under part 1 or an incitement by that person to incite an infringement of a right under part 1.

The reporter would have been involved, the

editor of the newspaper would have been involved, and the publisher would have been involved, because it says, "disseminate" means to communicate or participate in the communication with another, whether directly or indirectly or with or through another, by whatever means." That is where it was wrong. In the correction of it, it is like the pendulum. It swings from one extreme to another.

I am asking the minister to say that if a person publishes a statement of intention to infringe a right under the act or to incite anyone else to infringe a right under the act, that person should be subject to the penalties which are imposed in the bill. It has nothing to do with a reporter reporting the event of the statement being made.

I have laboured it too long. If the minister is not going to pay any attention now he is not going to pay any attention at 10 o'clock tonight.

The Deputy Chairman: Is there any further discussion on this amendment?

All those in favour of the motion will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Amendment stacked.

On section 10:

Hon. Mr. Elgie: Mr. Chairman, before we adjourned for the dinner hour, the member for Riverdale asked if, in light of the fact the definition of discrimination had been dispensed with, some consideration should be given to changing some wording in section 10, section 24(3)(a) and section 24(3)(b).

Let me speak first about section 10. Here we are talking about constructive discrimination. We say the requirement, whatever it is, is "not discrimination on a prohibited ground but that would result in the exclusion, qualification or preference of a group."

Frankly I think there is a need to be precise, a need to say what one means. We are saying it is not in itself discrimination and therefore one cannot say, "Even though it is not discrimination we are going to call it discrimination." One has to say exactly and precisely what one is intending the constructive discrimination section to mean. We are intending it to mean the "exclusion, qualification or preference." I do not see that has anything to do with the fact the definition of discrimination has been deleted.

Although the substance of the argument is somewhat different in section 24(3)(a) and section 24(3)(b), I think again there is a need to

be precise and to say exactly what one means. What we mean is where there is a reasonable and bona fide distinction, exclusion or preference. That is exactly what is meant. I do not think there is any way the government would deem it reasonable, in precise areas of the bill where it is important to understand what we are all saying, to change that to a word which is no longer defined.

For those reasons, the member has indicated he might introduce amendments if I do not concur with his thoughts on that issue. The government intends to stick to the wording that exists in section 10, section 24(3)(a) and section 24(3)(b).

Mr. Renwick: With the patience of the House, I thought it was a consequential amendment on the elimination of the definition of discrimination. It shows how far the minister and I have drifted apart in our conception of the bill.

The comments he has made again reinforce what I have to say about the way in which he has been frozen on the question of the laudable purpose of assisting handicapped people. I must crave the indulgence of the House and, if not, perhaps one of my colleagues will stand and recite a piece of verse while I write out the amendment.

Hon. Mr. Elgie: I am prepared to stand section 10 by while the member for Riverdale reads the verse that is being written by the member for Bellwoods (Mr. McClellan). The member for Bellwoods is going to write some verse, is he not?

Mr. McClellan: Don't tease the bears.

The Deputy Chairman: We will proceed and we can come back to the members for Riverdale and Bellwoods to have a written motion which we can then deal with.

Mr. Renwick: Would the minister also be prepared to deal with my same point when we get to section 21? I do not believe I mentioned that before dinner. In section 21, the same problem occurs as in section 24(3)(a) and 24(3)(b).

8:20 p.m.

The Deputy Chairman: I think you did.

Mr. Renwick: But in section 21 the same problem occurs as in section 24(3)(a) and (b).

Hon. Mr. Elgie: Mr. Chairman, I can say quite succinctly that the same position would stand in section 21. If the member wants some extra verse while he writes a new amendment to that, I would be pleased to wait.

The Deputy Chairman: We will hold over section 21 on the same basis and come back to section 10 once we have the written motion circulated, so that we can then deal with it.

Shall section 13 carry?

Mr. Renwick: Section 13 is a very important section from the point of view of the position of the New Democratic Party on the achievement of equality of condition and equality of opportunity for people. This is the affirmative action section in the bill. It has to be read in the light of section 28(c) of the bill, which deals with the function of the commission "to recommend for consideration a special plan or program designed to meet the requirements of subsection 13(1)" and so on.

I had thought for a little while we would introduce an amendment to give some ultimate backup to the commission to require, in a meritorious situation, the introduction and implementation of an affirmative action program, in regard to persons who for one reason or another are excluded from participating on an equal basis in the vaunted opportunities people have in this province. I wanted to make it clear to the minister we will follow, with a great deal of interest, the extent and degree to which the commission fulfils the function given to it under this without any backup provision of ultimately being able to say, "Look, we have had enough, get on with it."

I know the soft approach people have to it. The minister knows as well as anybody else, and I use the phrase without necessarily understanding its implications, that systemic discrimination in this province is very high. If you look at the most favoured of the people discriminated against, women in this society, then you will understand why it is essential we have the affirmative action provision.

I compliment the minister for not weakening on the need for that, despite all the nonsense that was talked in the committee and by people who came before the committee. I refer to the comments that we were talking about quotas and about reverse discrimination and all the intricate nonsense which has been used to deny equal opportunity to people in a society where opportunity is in many cases unequal, because of the nature of the very prohibitive grounds we are dealing with.

It is a very important section to us. We are prepared to await the event and see whether or not the commission does make use of the power which is going to be given to it by this assembly

to perform the function of at least recommending or requiring consideration to be given to affirmative action programs.

That is the only comment I want to make on that section.

The Deputy Chairman: Any further debate on section 13? Shall section 13 stand as part of the bill?

Section 13 agreed to.

On section 14:

The Deputy Chairman: Shall section 14 stand as part of the bill?

Mr. Renwick: I have no comment on section 14.

Section 14 agreed to.

On section 15:

Mr. Renwick: On section 15, I think out of respect for one of the witnesses who appeared before the committee, the assembly should understand that section 15 provides some reinforcement to the provision with respect to nondiscrimination because of citizenship. There was some very real concern that in the substantive provisions of the bill we should have deleted the word "citizenship" in order to make certain that in a reverse way a Canadian citizen has preference or privilege regardless of the citizenship of someone else. I have never sorted out in my mind whether or not that is an appropriate objection, but I know it was made with a considerable degree of insight by one person, and others made it before the committee as well.

I still do not know whether or not we should give preference to a person who is lawfully in Canada, whether he is a citizen, a landed immigrant or someone who is not a citizen but is making his domicile here with the intention of becoming a citizen, rather than absolutely prohibiting citizenship as a ground for refusing employment. I make the comment only because the significance of it is not clear in my own mind.

The minister did introduce an amendment to section 15(3). I suppose it could be called the imported executive provision in the bill. If you find some real whiz kid from outside the country who has executive capacities and you want to give him a top-rate job in the country you impose a condition that he must become a Canadian citizen or be domiciled in Canada. I think it is a strange entrepreneurial interjection, and I do not quite understand what it means. I am not certain it is appropriate in a human

rights bill to make such a distinction for someone who holds a chief or senior executive position in an organization or enterprise. It sounds as though the Minister of Industry and Tourism (Mr. Grossman) got to the Minister of Labour on that issue.

Section 15 agreed to.

On section 16:

Mr. Chairman: Mr. Renwick moves that section 16(2) be amended by adding thereto the words "or may nevertheless request the minister to appoint a board of inquiry and refer the subject matter of the complaint to the board," and by adding thereto the following section 16(3):

"When a board of inquiry is appointed pursuant to subsection 2 the board may then proceed to make the inquiry and order provided for in subsection 2 or subsection 3 of section 40 of the bill, as the case may be."

Mr. Renwick: Again I have reservations as to whether or not I understand at this time what the bill is about. I think this is the most serious flaw in the otherwise laudable intention of the minister to assist people who are handicapped.

8:30 p.m.

Mr. Chairman, this is my last desperate attempt to bridge the immense gulf created between sections 16 and 40, or in terms of the language that was used before the committee, the reasonable accommodation problem for handicapped persons. I have done it in such a way as to indicate that it would be a board of inquiry which was called into effect in section 40 in this situation. I have done it, and I emphasize the words with some desperation, because of the way in which the bill has been emasculated in relation to the protections it is supposed to provide for handicapped persons.

If one looks very carefully at section 16(1), one will read that:

"A right of a person under this act is not infringed for the reason only,

"(a) that the person does not have access to premises . . . or that the premises . . . lack the amenities that are appropriate for the person because of handicap."

Let us eliminate a little more of the gobbledegook in here:

"A right of a person under this act is not infringed for the reason only,

"(a) that the person does not have access to the premises because of handicap."

That is what it says. If you cannot get in, they are not infringing your right. It is just that simple. The second one says that:

"A right of a person under this act is not infringed for the reason only,

"(b) that the person is incapable of performing or fulfilling the essential duties or requirements attending the exercise of the right because of handicap."

Again cutting out the gobbledegook:

"A right of a person under this act is not infringed for the reason only,

"(b) that the person is incapable of performing or fulfilling the essential duties attending the exercise of the right because of handicap."

The importance of it is beyond my capacity to express simply. If the determination is made that the person cannot get into the premises because of the handicap, or if the determination is made that the person cannot perform the essential duties of the job because of the handicap, even though he or she could perform those essential duties with the aid of auxiliary facilities of one kind or another, then the right is not infringed. If the right is not infringed you cannot get to section 40, and section 40 is designed to provide for the reasonable accommodation.

Section 40 says very clearly that, "Where the board of inquiry, after a hearing, finds that a right of the complainant . . . has been infringed . . ." You never get to the board of inquiry if the right has not been infringed. It is the first step.

Section 40 only comes into play:

"(2) Where the board of inquiry at the conclusion of the hearing finds that a right of a person under Part I has been infringed by discrimination because of handicap, the board may then proceed to inquire whether,

"(a) the person does not have access . . . because of handicap" to premises or the appropriate amenities are not there and, "... the board may, unless the costs occasioned thereby cause undue hardship and subject to the regulations, order that the party take such measures as will make such provision for access or amenities or as are set out in the order."

Then subsection 3 has a similar provision with respect to providing the reasonable accommodation provision with respect to the performance of the essential duties.

Mr. Chairman, I do not often have difficulty overcoming the noise in the chamber, but my friends under the gallery here are conducting

their conversation in such a way that I am being interrupted in my comments. I say that with the greatest of respect.

The Deputy Chairman: I ask for order in the House to reduce the buzzing sound.

Mr. Renwick: I hope I am making clear, not only to the minister but also to the members of the assembly, that one cannot get from section 16 to section 40, because there is no reasonable accommodation provision in the bill.

On the first aspect of section 16, I think I need go no further than to say it says if one cannot get into the building one's right is not infringed because of handicap. That is what it says. Therefore, there will never be a board of inquiry because, if a right is not infringed, there can be no request for a board of inquiry. Unless there is a board of inquiry under section 40, we cannot get to the question of reason.

An order from the board of inquiry, if the cost will not impose an undue hardship and all of the qualifying provisions that are in there to protect the so-called contravener—which is a dreadful term—is something one cannot get at to get that done.

I do not like to use myself as an example in the case of the essential duties of the job, but assume for the moment that I am a blind person and the job I am applying for is to be a typist. I cannot, as a blind person, type on a regular, ordinary, everyday machine, but I am a fine typist on a Braille typewriter.

That will not alter the fact that I can never get from section 16 to section 40 to get an order of the board saying it would be a reasonable accommodation of that person to perform the essential duties of the job for the employer to provide, in place of a Remington standard model electric machine, a Braille typewriter at an extra cost of \$100, \$200 or whatever the figure is, assuming it is a reasonable figure.

What I have tried to do desperately is to say in section 16 that if a situation develops where the commission decides the right is not infringed under the strict terms, it can do what section 16 states it can do: "Where, after the investigation of a complaint, the commission determines that the evidence does not warrant the appointment of a board of inquiry because of the application of subsection 1"—that is, the right is not infringed—"the commission may nevertheless use its best efforts to effect a settlement as to the provision of access or amenities or as to the duties or requirements." That is a "best efforts" clause. That is fine.

All I wanted to do was to add on to the "best

efforts" clause a provision that says, "or the commission may nevertheless, even though there has been no strict infringement of that section, request the minister to appoint a board of inquiry and refer the subject matter of the complaint to the board."

Later on, if there is a request to the minister for a board, the minister is obligated to appoint the board. I agree with that. When the board assembles, when a board of inquiry is appointed pursuant to subsection 2, pursuant to this additional flexibility which I think should be in the bill, the board may then proceed to make the inquiry an order provided for in subsection 2 or section 40(3).

Using myself as an example of a person who is blind and the question of the typewriter, it would then mean that while the commission may well say the right of that person is not infringed on the strict terminology of section 16, nevertheless the commission can use its best efforts if it chooses to do so.

If it does not choose to do so, it can still have a board of inquiry appointed that will bring into play the reasonable accommodation provisions of section 40—that is, with the person adequately protected against undue hardship or cost—to provide the Braille typewriter in the instance I have given.

8:40 p.m.

One can see the extent to which the problem concerns me, the lacuna between section 16 and section 40 and the strained effort I have made—it makes a lot of sense—to bridge that gap. Otherwise, I think the laudable intention that originated the conception of reviewing not only the bill but also the whole question of assisting handicapped people in the International Year of Disabled Persons will come to nought.

There is no way this assembly should be involved in kidding anybody about the ultimate gap that will occur on this most important section of the bill. I appreciate the patience about this matter. If I am wrong in my interpretation, which I doubt, I stand to be corrected.

Hon. Mr. Elgie: Mr. Chairman, if there are no other members who wish to speak, I have to say honestly to the member for Riverdale, there has never been any attempt by anybody to try to deceive anyone. I think he will acknowledge that. This government and this minister have said clearly from the beginning that the issue of the handicapped in this human rights code was to be approached from the point of view of

whether there was attitudinal discrimination. It did not intend to define the absence of access as discrimination on its own.

Even without the addition of section 16(2), I am certain the member will agree that this legislation would take precedence in terms of equality and what is offered over any other legislation in this country. But the addition of subsection 2, which the member has quite properly referred to, giving the commission the power to use its best efforts to effect a settlement, even in situations where the only issue is access, puts it far above and out in front of any other legislation in this country. Yet it retains a balance that respects the rights of everybody in society.

I cannot support the member's amendment. It is not in line with the point of view the government has expressed from the beginning and all through the standing committee and over which there has been a fair and honest exchange of opinion.

The Deputy Chairman: All those in favour of Mr. Renwick's amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Amendment stacked.

Sections 17 and 18 agreed to.

On section 19:

Hon. Mr. Elgie: Mr. Chairman, I have an amendment to section 19(3) which I distributed to both opposition parties yesterday. I have made one minor change in it that I hope they have received. It does not make any substantive change in the amendment I have proposed.

Let me tell members quite frankly why this amendment is being introduced. It came to the attention of one of my staff the day before yesterday that a number of recreational clubs give preference with respect to membership dues and other fees to encourage family membership, to encourage wives to join and so forth. The code, as it was drafted, might abolish that opportunity, which gives improved participation to members of a family, married couples and so forth.

Therefore, the government's view is that this amendment is very necessary to protect those legitimate rights that people have and are exercising now in the area of recreational clubs. I propose section 19(3) as an amendment to this bill.

The Deputy Chairman: Hon. Mr. Elgie moves that section 19 be amended by adding thereto the following subsection:

"(3) The right under section 1 to equal treatment with respect to services and facilities is not infringed where a social organization restricts or qualifies access to its services or facilities, or gives preference with respect to membership dues and other fees because of age, sex, marital status or family status."

Hon. Mr. Elgie: Mr. Chairman, I would like to correct that; "social organization" should be struck out and "recreational club" substituted therefor.

Mr. McClellan: You are amending your amendment?

Mr. Nixon: It is hard to keep up with

Hon. Mr. Elgie: I agree with that, but the member was not here this afternoon.

Mr. Renwick: I did not quite get the last exchange. My draft of the amendment says "where a recreational club restricts." Is that being changed?

The Deputy Chairman: That is the correction.

Mr. Renwick: I have the correct one. Then I have no problem with the amendment.

Motion agreed to.

Mr. Renwick: Mr. Chairman, on section 19(2), and I only have a comment, not an amendment.

I think it is important that the House understand that this section of the bill deals with the question of eliminating sex with respect to athletic activities.

The minister, in his statement on October 28, dealt with that matter at some length and concluded that "further study is required. Within the next few days I hope to announce the names of the members of a task force which will be set up to inquire into the matter and report to me. Pending receipt of the task force's report, I am of the view that it should be made clear in the bill that the establishment of single-sex sports activities is not a contravention of the code. The relevant section in the reprinted bill is section 19(2)."

Well, whatever that means, I would like to know from the minister, as I asked him in the dying days of the committee, has the task force been appointed, what are its terms of reference, when will it report back and what are the minister's plans with respect to it?

Hon. Mr. Elgie: Mr. Chairman, I publicly committed myself to the appointment of such a task force. I think the member will agree that when I give that kind of commitment, I tend to

live up to it. I hope the exact makeup of the commission and the terms of references will be announced in the very near future, but it is not ready at the moment. I think the member can agree with me that it will be forthcoming.

Section 19, as amended, agreed to.

On section 20:

The Deputy Chairman: Mr. Renwick moves that section 20(4) be deleted.

Mr. Renwick: Mr. Chairman, the amendment simply speaks to the question of ruling out the availability of adult-only buildings in the province. It is so obviously correct that buildings in our society, both in view of the economic conditions of the time and as a matter of principle, should not be restricted to adult-only buildings, or that buildings should not be allowed to be designated as adult-only buildings.

8:50 p.m.

I want to make it absolutely clear that I am not talking about senior citizens' accommodation, which, as I read the bill, is already fully covered under the section the House has passed, section 14, which says: "A right under part I to nondiscrimination because of age is not infringed where an age of 65 years or over is a requirement, qualification or consideration for preferential treatment." So we accept and want to have the need for adult-only buildings with respect to senior citizens' accommodation.

But we had some very important submissions to the committee saying simply that although section 4 of the bill intended to create the impression that adult-only buildings were restricted in some way, it is a wide-open door. We came to the conclusion, and I think the whole committee came to the conclusion, that any of the buildings that we are concerned about, as being restricted to adults, only can continue as such and all of them can be designated.

The status is not in "the right under section 2 to equal treatment with respect to the occupancy of residential accommodation without discrimination because of family status"—that means children, in case anybody wanted to know—"is not infringed by discrimination on that ground where the residential accommodation is in a building or designated part of the building that contains more than one dwelling unit served by a common entrance"—I would call that an apartment building—"and the occupancy of all the residential accommodation in the building or in the designated part of the building is restricted because of family status."

I do not know what the justification for this is. I know that the city of Toronto was concerned about the matter; I know that one of the aldermen from the minister's own borough of East York appeared before us and made a very moving plea concerning the problems in his borough; I know that Justice for Children was fundamentally concerned about it.

I do not think it is necessary to enlighten the members of the assembly who are in their places tonight, with their knowledge of the economic conditions related to housing and in view of the importance of children in society, particularly for a government that prides itself on its concern about the family, and for all of the other reasons that one can draw in aid on such an emotional issue.

I do not think I need to say anything more than to indicate to the members sitting on the government side that even though they are not in the ministry it would be in their interest to support this amendment and delete section 20(4).

I hope we will have a spirited debate on this issue. I think the member for Wilson Heights (Mr. Rotenberg)—ever since Ed Ziemba spoke in the House, I do not know quite which riding he is from—will enter into the discussion. I think the member for Stormont, Dundas and Glengarry (Mr. Villeneuve) should enter into it. The member for High Park (Mr. Shymko) definitely should enter into the debate; I know he is very busy in another public debate over there. And we would like to hear the view of the member for Sudbury (Mr. Gordon) on adult-only buildings.

The Deputy Chairman: The member for Riverdale is speaking to section 19?

Mr. Renwick: Yes. I was interested to know whether anybody on the government side of the House has any views on adult-only buildings. That was all I wanted to know. If they do not have any views about them, then we can simply delete section 20(4).

If the members opposite want to make their way in the government, I suggest they disengage from the ministry. The surest way to get into the ministry is to disengage oneself by being difficult; then they bring you into the ministry so you will not be difficult again in the future.

Ms. Copps: Mr. Chairman, I wish to speak in favour of this amendment. I think we have to be consistent, and since we were the ones who originally proposed the amendment in committee and spoke quite extensively on it at that

time, obviously we are in support of the amendment. We feel a policy that excludes children from any accommodation is not a just policy. Our policy in this party is that children are people too and we would like to see them recognized in this legislation.

The Deputy Chairman: Just before the member for Scarborough West (Mr. R. F. Johnston) begins, has the member for Riverdale prepared his amendment to section 10?

Mr. Renwick: Yes, I have.

The Deputy Chairman: Very well. We will proceed to it after we have completed this one, if you can get it circulated.

Mr. R. F. Johnston: Mr. Chairman, I wish to speak in favour of this motion to get rid of section 20(4). It is unthinkable to me that we would not accept the notion that children and families have rights in terms of housing.

In the city of Toronto at the moment we have a case where boarding homes, small apartments and houses are not being made available to families. In the latest study by a group of referring agencies in Metro Toronto, it was found that between 40 and 50 per cent of the houses or apartments on those lists they hold will not allow children.

We have now a vacancy rate in Toronto that is almost at zip. We have condominium conversion taking place. We are basically having the sense of community, the idea that you can have a full community in the centre of a major city like this, being destroyed because of the move to adult-only buildings.

We are not talking here about taking away the right of senior citizens to have buildings specially designed for them, or to have specially designed buildings for the handicapped, or for the possibility of there being mixed housing, in which the bottom four floors of a high-rise are available to families and the top X floors are available to singles.

What we are talking about here is an absolute freedom for any building in Toronto—other than a town house, essentially anything that has a common entrance with more than one apartment in it, anything from a duplex with a common entrance to a multi-storey high-rise—being allowed to shut out families, to shut out kids. It is just ridiculous.

Even if the minister is in favour of the notion that there should be some kind of protection for developers to build cheap accommodation that does not have to take into account the needs of families, which most of the buildings now being

built do not, he must surely recognize that this is just bad legislation. It does not have to be as blanketed as this is. Why was there no attempt even to come through with a compromise, at least to allow provision for a certain percentage of high-rise buildings to have units available to families?

What the minister is proposing with this legislation is the destruction of family housing in places like the city of Toronto. Next it will go to places like Hamilton, and then to Ottawa, and the community fabric of our major cities will be destroyed by this one little piece of legislation, this one little clause. If we want the developers to be able to have adult-only buildings, surely there is a better way of doing it than by this blanket clause in here.

It seems to me it is just outrageous. I hope the minister will either come through with some amended format of the clause here or accept the motion by my colleague the member for Riverdale and withdraw this piece of nonsense, which is essentially anti-family. A person like the minister, who has a family, should be aware of that and should not want to see this kind of attack on the centres of communities like Toronto and other major cities.

9 p.m.

Mr. Wrye: Mr. Chairman, I want to briefly join with the three previous speakers in the opposition in supporting the deletion of this subsection. It seems to me, and I think my colleague the member for Scarborough West in his final remarks really came to the heart of the matter, that our friends on the opposite side talk so much about the family and yet here in this one subsection they have completely negated the very views that they are supposed to hold and cherish.

If the family has importance, as I believe it has, there ought to be the freedom to live in accommodation in such centres as Metropolitan Toronto or any other centre, even a centre such as mine which has a large vacancy rate, but particularly a centre like Metropolitan Toronto with a vacancy rate that is as close to zero as I think we will ever reach.

The opportunity for families to live in accommodation of their choice ought not to be fettered by this kind of proposal within what is a human rights code. Surely the rights of children should be respected, and that includes the rights of the children and their families to live in such accommodation.

If the minister is not prepared to move, as my friend the member for Scarborough West has

suggested, to some sort of reasonable compromise, I think we have no choice but to throw out subsection 4 in its entirety.

I urge the members across the way to join with us, particularly those members from Toronto, who know full well and who I am sure deal on a regular basis with constituents who are having very difficult times finding any kind of accommodation at all.

Ms. Bryden: Mr. Chairman, I just want to add my support for this amendment. As my colleague the member for Scarborough West said, discrimination against children is discrimination against the family. I do not see how this government can accept discrimination against the family after all the pious words it has poured out about how it supports families.

The Premier (Mr. Davis) and particularly the Provincial Secretary for Social Development (Mrs. Birch) have constantly said this government is family-centred and supports families, and every year the Provincial Secretary for Social Development gets out a booklet telling us how we can strengthen and improve family life.

Mr. Eakins: And how concerned she is.

Ms. Bryden: That's right; how concerned she is. During the International Year of the Child, she got out a series of suggestions of how we could support children. One of them was, "Take a child to lunch." That is about all that is being done by this government for children and for families.

Every week people come into my constituency office who have children and who have been evicted or are about to be evicted from their housing because of renovations, demolitions or conversions of housing to condominiums or to other uses. They shop around and find the doors are closed when they say they have children. They simply cannot find suitable and affordable accommodation. These people who are the victims of the shrinking housing market are in desperate straits, because they know they are going to have to pay a much larger percentage of their income for rent.

The market for affordable housing for families is getting tighter and tighter, and if we do not pass this amendment we will add to that situation and increase the number of families that possibly will be reduced below the poverty line or that will have to put a very large proportion of their income into rent. Therefore, I think we must open up that market rather than contribute to its closing.

As regards the question of noise and distur-

bance that may come from children, from what I hear there is far more noise and disturbance from adults operating hi-fi's, very loud, powerful radios, record players and so on.

Apartments could be designed for children, and if we have this law in effect where they cannot be discriminated against, apartments will be designed for children. That is something we must promote.

I would hope the members on the opposite side would support this amendment if they really believe in supporting the family.

Mr. Samis: Very briefly, Mr. Chairman, I would like to add my voice to that of my colleague for Scarborough West who spoke out strongly against the idea of allowing adult-only buildings. As a member from eastern Ontario, I recall when I was first elected in 1974, my surprise at the prevalence of these adult-only apartment buildings. Since then, there has obviously been a tremendous expansion of them in the downtown core.

I come from a town that has difficulties in terms of income these days. Unfortunately, in a recent survey we rated ninety-ninth out of 100 in terms of Canadian cities as pertaining to income. I think a Canada Mortgage and Housing Corporation study done earlier this year said our vacancy rate was 0.3 per cent. This summer, our city council approved plans for a six-storey adult-only apartment building in our community.

I get umpteen cases in my riding office of people on limited incomes, fixed incomes or low incomes looking for some form of suitable housing and here we have a major project moving into the community. This is some sort of big city phenomenon, and I have to explain to them that this will be adult-only. If we discriminate in all sorts of other ways, we say that is illegal, this code will outlaw that, but we can allow discrimination based on whether or not a person has a family. These people have an extremely difficult time finding suitable housing.

In a community like ours, when we get a major new project like this, and I am sure this will set the trend for further projects, I just think we are missing a golden opportunity to stop what is really a reprehensible form of lifestyle in terms of modern society. Our society is becoming sufficiently impersonal, violent, materialistic, and pleasure oriented. The family is breaking up; marriages are breaking up.

We have a government which always lectures us on the importance and the value of the

family; how committed they are to the family, individual values, opportunities for young people, and equality of opportunity regardless of class. Here is a golden opportunity to really put their money where their mouths are and ensure that all families have access, at least legally, to housing. If they have not got it economically, at least they will have it legally.

How do you explain this to a young person? They say: "I have read the bill of rights. I have read Mr. Trudeau's new constitution and the charter of rights. I am told that we live in a democracy, but why can't I get into that building? Why can't I live there? Why does my mother say we are discriminated against because we have a family and that nobody is breaking the law when they do that?"

How do you explain that to an 11-year-old child? This is a democracy with a bill of rights, a charter of rights, a human rights code, but they can be discriminated against.

Mr. Di Santo: Mr. Chairman, I must add my voice to my colleagues' because I think it is really ironic that while we are amending the human rights code in order to prohibit discrimination, in the same code we not only allow discrimination but we legislate discrimination.

I think by allowing adult-only buildings we are really accepting an idea of our society which is based on intolerance. As my colleague said, by allowing adult-only buildings we are really saying there is something wrong, for some people, with families that have children and that since they are not so burdened then they can avoid living with them. This is an idea that is repulsive to me.

As my friend the member for Cornwall (Mr. Samis) said, we are passing a bill at a time when in Canada we are establishing the right to mobility. But if you move to Toronto, you cannot get into a building because the Minister of Labour prevents you from doing that with the human rights code in his hands. That is totally unacceptable and unjustifiable.

9:10 p.m.

I want to add my voice, hoping the minister will accept at least this amendment. I know tonight all the platoons on the other side will vote against these amendments without knowing them and without having heard the arguments in favour of the amendments. They will listen to the orders of the chief.

I hope the chief is sensitive at least to this amendment if he does not want this human rights code to be amended two or three years

down the line. Otherwise, even the Minister of Labour, who is considered a progressive and open person, will have been instrumental in passing a human rights code which is not adequate for the times.

Mr. Treleaven: Mr. Chairman, I have sat and listened for the last 15 minutes this evening to what I will call garbage. I did not intend to stand on my feet—

Mr. Martel: Troglodyte.

Mr. Treleaven: I saw the light, you are correct. I have heard words such as nonsense, repulsive, reprehensible, and all I can say is that I am surprised at some of these people who seem to have lost their perspective. The member for Riverdale put it with some tact and common sense. From that we have gone to an extreme where all common sense has been lost.

If you look at the section, it does not say you are for me or against me. All it says is that such an item is not deemed to be discrimination under another section. It does not say you are for me or against me.

Mr. Samis: Tell that to the families.

Mr. Treleaven: Fine. Right. Can we then consider the people whose children have left the home, who have matured and grown up? Do they not have any rights at all or is there a straight discrimination against those persons whose children have matured and who do not wish to be subjected to the lifestyle they had when they had children for 20 years? Simply keep it in perspective and do not use that type of adjective. My friend the member for Riverdale did not lead you on that path. It is a false path.

Hon. Mr. Elgie: I want to thank the member for Scarborough West for his comments and I want to welcome my family to the gallery here to share in this great occasion. They have been around during the lives and demises of many older and middle aged people and they have some understanding of the sensitivity of the issues the member was referring to.

What we are really talking about is the balancing of the rights of various people in society. You know that and I know that. You may want to take certain positions and I understand why you are doing it.

Mr. R. F. Johnston: There is no balance. Put some balance in.

Hon. Mr. Elgie: I know the leadership race is on and you are just aching to say something, but hang on. Wait till Bob Rae arrives and the others come, and then you can have an open competition. Don't try to grab it all for yourself.

You know as well as I do that the human rights review commission went through this province and found three or four communities that had housing shortage problems, not because of discrimination but because there were housing shortages. The member for Scarborough West knows full well, because he and I have talked about it, that the city of Toronto in its 1975 legislation has the power to do something about it but has not.

Mr. R. F. Johnston: That does not take you off the hook.

Hon. Mr. Elgie: I will show you the act if you have any doubts, my friend. We have talked about it and you know very well they obviously have the same concerns that thoughtful people on this side of the House have. There is a balance of rights in society and there is a need to respect those rights.

There are people who have never married, people whose children have grown up, people who have never had children, who legitimately want to live in a certain type of surrounding. Members know the government's public housing policy encourages families. Indeed, we often hear criticisms because we try to evict people to get families in. Members have heard of that problem and know that the Minister of Municipal Affairs and Housing (Mr. Bennett) in his rental assistance program requires that any apartments built under that program be for families. There is no doubt about the public policy.

Members are trying to take a housing shortage issue and convert it into discrimination. I tell my friend that is not the right way to approach it. That is not trying to achieve a balance of legitimate rights in society.

Mr. Di Santo: You are more intelligent than that.

Hon. Mr. Elgie: If the member thinks carefully and thoughtfully about it, he will come to the same conclusion.

For those reasons, the government cannot accept the amendment.

Mr. Renwick: I had a comment. I do not want to read it at length because I know the minister would be concerned, if not embarrassed, but the presentation by Gordon Crann, the alderman for ward three in the borough of East York—

Hon. Mr. Elgie: I am not embarrassed by Gordon Crann. I met him out campaigning against me. There is no problem with that.

Mr. Renwick: He does a first-class job of melding the problem that the minister indicates.

The minister indicates that somehow or other the inability of children with their families to find housing accommodation is a housing problem and not a question of the rights of children to have a place to live. Let us not kid anybody. Getting a place to live with one's family is a very important obligation of this government in this society.

The fact that the government has failed to provide adequate levels of housing accommodation at an affordable level for people in low income categories is not an excuse for failing to protect them under a human rights code. That is the problem that is involved with it.

When property takes precedence over people, the Minister of Municipal Affairs and Housing takes precedence over the Minister of Labour, just the way the Minister of Industry and Tourism (Mr. Grossman) takes precedence over the Minister of Labour. It is that old question: What is more important, property or people? Or what is more important, not rights as against rights, privilege as against rights. It is the privilege that has to give way because the opposite of privilege is no rights and people who have privileges are denying rights to other people. It is not people giving up rights, it is people giving up privilege.

Let us be rudimentarily clear about the question involved. This is a human rights issue; it is that simple. Once it is in the human rights code, the housing minister and his colleagues will have to realize that people are more important than property. They will have to do something about the question.

Mr. Chairman: Order. I have let the member go on at good length I think.

Mr. Renwick: I know the minister of housing does not live in an adult-only building. I know that. It has a common entrance. I understand that and I understand it is subsidized by the government. Maybe under the MacEachen budget it will be taxable. I do not know. It will be interesting to find out, but I would have assumed the minister of housing would be the one minister who would be saying to the Minister of Labour—

Mr. Chairman: Order, please. As you well know we have completed the section. I think I have allowed ample time.

Mr. Renwick: —“Please make certain that families have places to live.”

Mr. Chairman: I know you are upset with the minister and you are not very happy with—

Mr. Renwick: I am not upset.

Mr. Chairman: You are not upset with him?

Mr. Renwick: I am certainly not upset with you. I want to make one point and I want to make it very clearly—

Mr. Chairman: I just want to point out that I think you are out of order, but I will let you make the point.

Mr. Martel: Why is it out of order?

Mr. Chairman: We have already discussed the section. We had a windup with the minister.

Mr. Martel: The question has not been called.

Mr. Renwick: This is not a second reading debate. I want to make the point that—

Mr. Martel: What kind of new rule is this? You are dead wrong. Sorry, buddy.

Mr. Chairman: I would like to hear the member for Riverdale.

Mr. Stokes: This is not second reading. The minister and the chair had better understand that.

Mr. Chairman: Order, please. I would like to hear the member for Riverdale.

9:20 p.m.

Mr. Renwick: This is not just apartment buildings, but also condominium property. You know as well as I do what is happening in Toronto and outside of Toronto with respect to the destruction of family accommodation by the erection of high-priced, high-cost condominiums for adults only. I want you to understand you cannot escape the responsibility by disguising it as a housing problem. Because you are in total default on the housing issue, do not try to call that in aid of your failure to protect children and families under this amendment. I commend the amendment to the assembly.

Mr. Chairman: I would like to point out to the honourable member and to all members of the House that the member for Riverdale has moved a motion that section 20(4) of Bill 7 be deleted. It is my understanding that under May's Parliamentary Practice the technical way of putting the proposed amendment is that the section shall not stand as part of the bill. However, we will allow the amendment as proposed. I will point that out continually, so that at some future time, when proposed amendments are being made, maybe we will get it straight.

Mr. Stokes: If there is any fault, you had better search your own soul.

Mr. Chairman: In the fairness of play, that is right. I have accepted it, because we wanted to have this particular issue aired.

All those in favour of the proposed amendment, please say "aye."

All those opposed, please say "nay."

In my opinion the nays have it.

Amendment stacked.

Hon. Mr. Elgie: You aren't standing up, Mr. Martel.

Mr. Martel: It only takes five.

Mr. Chairman: I counted five.

On section 21 of Bill 7, I have before me a proposed amendment. The member for Riverdale. I see no other amendments from the opposition.

Mr. Renwick: Mr. Chairman, were you going to deal with section 10 now, or do you want to deal with that a little later?

Mr. Chairman: I'm sorry. Back to section 10, then.

On section 10:

Mr. Chairman: Mr. Renwick moves that section 10 be amended by deleting the words, "the exclusion, qualification or preference of," and substituting therefor the words, "discrimination against."

Mr. Renwick: Mr. Chairman, I spoke to this question earlier, and the minister refused to accept the amendment. I, therefore, move the amendment. The reason for moving the amendment is that we eliminated the definition of "discrimination" from the bill, which included the dreadful phrase, "exclusion, qualification or preference." This was a consequential amendment that the minister overlooked, and now takes as a matter of principle and is insisting on maintaining in the bill. I think the words should be deleted and the words "discrimination against" inserted.

Mr. Chairman: Does any member wish to discuss this proposed amendment?

Hon. Mr. Elgie: I have already spoken against it, Mr. Chairman.

Mr. Chairman: All those in favour of the proposed amendment, please say "aye."

All those opposed, please say "nay."

In my opinion the nays have it.

Amendment stacked.

On section 21:

Mr. Chairman: Mr. Renwick moves that section 21 be amended by deleting the words "differentiates or makes a distinction, exclusion or preference," and substituting therefor the word "discriminates."

Mr. Renwick: I moved this for the same reasons I gave under section 10, and they are equally forceful under this section.

Hon. Mr. Elgie: I oppose this for the same reasons given in the original arguments.

Mr. Chairman: Those in favour of Mr. Renwick's amendment to section 21 will please say "aye."

Those opposed will please say "nay."

In my opinion the nays have it.

Amendment stacked.

Mr. Chairman: Mr. Renwick moves that section 21 be amended by deleting all the words after "annuity" and substituting therefor the words, "discriminate on reasonable and bona fide grounds because the age, sex, marital status, family status or handicap substantially increases the risk."

Mr. Renwick: My principal reason applies equally well to the irrelevant distinctions which insurance companies make in numerous policies in altering premiums on the basis of age, sex or marital or family status, but I am principally concerned again about the question of handicap.

What this means is the insurance companies, and I say this very politely, are organizations which have a licence from the government to discriminate. This is what the insurance industry is all about. It is therefore difficult to say their discrimination is the kind of adverse discrimination we are concerned about. This says that on automobile, life, accident, disability or sickness insurance and group insurance of any kind, insurance companies can on reasonable and bona fide grounds discriminate because of handicap.

At least at this time, that discrimination with respect to handicap on reasonable and probable grounds must be only if the insurance company can conclusively show the risk is substantially increased. That is the purpose of the amendment. At this point in history, that might well be acceptable.

It is not good enough and my next amendment will indicate that, but I hope you at least agree a reasonable and bona fide discrimination against handicapped people with respect to the premiums they pay on insurance policies should be only if the insurer can show, and clearly demonstrate actuarially or on sound medical information, that the risk is substantially increased.

The minister has accepted those phrases in other places in the bill related to insurance.

They are extremely appropriate in this situation. I again commend this amendment to the House.

Hon. Mr. Elgie: I would like to point out, as I did at some length in committee, the words "reasonable and bona fide" in themselves require a subjective and an objective assessment of the differentiation that is made. More important than that, as I pointed out in committee, we are talking about more here than matters that increase the risk. We are talking about benefits as well as premiums. Therefore, the addition of those words to this section is inappropriate and the government cannot support it.

Mr. Renwick: I do not play word games often. I am going to ignore that comment by the minister. He knows as well as I do that if a handicapped person applies for insurance he does not get a break on the premium. He gets the opposite and he does not get extended benefits under the policy. Let us not play games about that kind of amendment. I ask for some relaxation by the minister in acceptance of a reasonable amendment.

Mr. Chairman: Those in favour of Mr. Renwick's amendment to section 21 will please say "aye."

Those opposed will please say "nay."

In my opinion the nays have it.

Amendment stacked.

9:30 p.m.

Mr. Chairman: Mr. Renwick moved an amendment that, in the light of the preceding amendments, section 21 shall not stand as part of the bill.

Mr. Renwick: Mr. Chairman, I do not intend to go on at any great length, but I want to make two very simple points.

In automobile insurance it is unconscionable for the insurance companies to continue, in collusion with this government, to make distinctions with respect to automobile insurance based on age, sex and marital status. When the government learns that, they will have learned an elementary lesson. Those questions are irrelevant with respect to premium differentials. The select committee on company law dealt with it at great length, and I do not intend to quote it.

The minister of the crown then responsible, the former Minister of Consumer and Commercial Relations (Mr. Drea), made a great grandstand play that he was going to get the insurance companies into line and they were going to have to show him. Well, they have been showing him

for a long time. He has left that ministry, and one of these days the inequity of premium distinctions in automobile insurance on the basis of age, sex and marital status will be seen as a neanderthal remnant of Tory rule in Ontario.

On the question of life insurance I want to be very brief, because I know that time is wasting and my colleague the member for Sudbury East (Mr. Martel) is anxious to address the chamber on a matter of great concern to him.

On the question of life insurance, the select committee on company law—and I wish my colleague the member for Kitchener (Mr. Breithaupt) were here—very clearly indicated that what may have been valid in the past is not valid in the present: that premiums for life insurance should now be based solely and entirely on actuarial information, and that if they are going to make a surcharge on the basis of medical information without actuarial statistics to support it they should not be allowed to discriminate.

From the point of view of a handicapped person, at the present time in Ontario, without any actuarial basis whatsoever, certain handicaps are surcharged for life insurance solely on the basis of medical information that is not actuarially supported.

I do not know why it takes the government so long to understand elementary facts of life, but I am saying to the House that the laudable intention of this minister to do something to assist handicapped people is not being assisted by this clause. This clause should therefore be deleted. The whole range of the protection of the human rights code should be accorded to people under sections 1 and 3 of the code. The commission, not the superintendent of insurance in collusion with the industry, should have the responsibility of righting the great wrong that exists in society.

Hon. Mr. Elgie: I have just a comment, Mr. Chairman. Again, the member and I have had some good and lengthy discussions about this. If he is proposing to change through the human rights code the method by which insurance in its various forms is sold in this province, on the basis of premium differentials and so forth, and I suspect he is, then I suggest to him that this is not the route by which it should be done.

This code is trying to make sure that any distinction, exclusion or preference in policies is based on reasonable and bona fide grounds. That is what it does and that is what a human rights code should do. Therefore, we oppose the amendment.

Mr. Chairman: The member for Riverdale has proposed an amendment to Bill 7 whereby section 21 should not stand as part of the bill.

Those in favour of the amendment will please say "aye."

Those opposed will please say "nay."

In my opinion the nays have it.

Amendment stacked.

On section 22:

Mr. Chairman: The member for Sudbury East, I believe, has comments on subsection 2. Shall subsection 1 carry? Carried.

Mr. Martel: Thank you. I am glad we got there. I have waited a long time, Mr. Chairman, to speak to this. This is my maiden speech on the matter, although I have on three occasions since the debate on November 18 read this section about this questionnaire that is utilized by certain companies. I have read the minister's statement. I have read my colleague's statement and we happen to agree. I have read Mr. Hess's comments and the comments of Ms. Copps. I am still confused; I am as confused as hell.

Let me go to Mr. Hess's comments first. Mr. Hess on page 22 states, "That has now been replaced by subsection 2 of this proposed amendment." You will notice that what has been done is that we say that: "Equal treatment with respect to employment is infringed where a form of application for employment is used, or a written or oral inquiry is made of an applicant, that directly or indirectly classifies or indicates qualifications by . . ." and then he says, "by a prohibited ground of discrimination."

I went to section 4(1) of the bill on discrimination and it says, "Every person has a right to equal treatment with respect to employment without discrimination because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, age"—and of course you are relying on the mention of sex, and handicap later on. I looked desperately because I am not sure we are asking the right question.

I don't think we are saying it is a case of some difference of opinion as to whether someone gets a job on sexual grounds, for sexual reasons. I don't think it has anything to do with disability. Is Big Brother with us already? Have we reached 1984 already? Can a company pose questions that deal with strictly personal matters? Can a company put out a questionnaire that talks about things such as contraceptive screening, pelvic organs and so on? I don't know what that has to do with the job and I don't think that has anything to do with discrimination against someone.

It is just is there the right for someone to ask those questions in the first place? Maybe the minister might not want to put this in a bill. My colleague says it might be difficult, but surely the Minister of Labour, in conjunction with the Minister of Health (Mr. Timbrell), should prepare some standardized forms that could be used either industry by industry or just strictly province-wide, where this garbage is eliminated. That is no one's business except the people themselves. They should not have to put this down. I don't find that anywhere, so maybe you can explain it to me carefully because you weren't able to convince my friend.

I have read the Hansard transcript three times and I am still not sure why you say the inclusion of handicap will prevent this, or why you say the definition of discrimination on grounds of sex will prevent this sort of questionnaire.

I am not trying to be funny either. I really don't understand how the section of the act you quote will prevent this from occurring. The minister himself says maybe we have to go to another act. That's a possibility. You might have to go to another act but I don't want to wait around.

This matter has now been before the Legislature since I raised it over a year ago and I would like to know how many companies are still using this type of questionnaire. The only reason we learn of it is when someone comes forward with this type of questionnaire. If the minister can't move it in this legislation, I would like a guarantee that he will move it in another bill—not that he might, but as the Minister of Labour that he will see that it is done.

9:40 p.m.

Better still, without having to legislate, there is the possibility of he and his colleague the Minister of Health getting together to adopt a standardized form companies would have to use in this province on the type of questions and medical information they might need to assess whether a person is qualified to do the job that is being applied for.

I do not think half the stuff in that questionnaire is relevant for someone to do a job. I do not think anyone has the right to ask anyone those types of questions.

I would ask the minister to give some indication tonight he is either prepared to bring in an amendment; not maybe or some fuzzy promise, but that he is going to bring in legislation or that he is prepared, with his colleague, to introduce standardized forms across this province. Then we can end this once and for all, so that women

do not have to answer the types of questions that were sought in this questionnaire by the company, whatever the hell its name is. Its name escapes me now—they are so offensive.

Mr. Nixon: Not Inco?

Mr Martel: No, not Inco; I would hope the minister could give me some assurance the practice is finished as of today.

Hon. Mr. Elgie: We went into this in great detail in committee with the member for Riverdale. I regret he and I do not seem to have reached any understanding on it.

I never did suggest a bill dealing with prohibition against discrimination on the basis of age, sex, handicap and so forth could eliminate all extraneous matter in society that might be offensive to some people in medical forms. I did say that where a medical application form endeavours to obtain information directly or indirectly which would lead to the opinion that someone had a physical disability or a mental condition which would make him unsuitable for employment, that kind of information, in my view—I have not got a legal opinion about it—would be within the scope of this legislation.

For instance, a lot of the questions in that form you and I have seen were in my opinion aimed at finding out whether someone had a high absenteeism rate on the basis of a mental illness or a neurosis. For that reason, it is indirectly trying to obtain information that in my view would contravene the code.

Surely the question is straight and simple, "What is your previous absenteeism record and may I have a medical certificate that you are able to perform the duties required of you without unusual periods of absenteeism?" This may not be responsive to all the extraneous matters in that form that were of concern to the honourable member, as some were to me. It is my opinion this gets at most of them directly or indirectly, in trying to obtain information relating to a perceived or real physical disability or mental problem.

It may be the matter requires further discussion. It is not something I have an aversion to discussing with the Minister of Health, but I am not going to give any commitment tonight about what further steps will be taken.

Mr. Martel: Might I pursue it for a moment? What concerns me is that about a year ago, and I have the Hansard here, we discussed this matter. A year has gone by and nothing has changed.

Hon. Mr. Elgie: Yes it has. We have this before us. That is what has changed.

Mr. Martel: We have a piece of legislation which you admit might not cover it all. It seems to me you should be able to—

Hon. Mr. Elgie: You are not prepared to admit what it will cover.

Mr. Martel: It will cover some. I do not dispute that. I said to the minister it is not going to cover some of the material in here. I just want to block off the rest of what it does not cover. Surely the minister can make a commitment that he is prepared to introduce legislation to prevent the rest under the Employment Standards Act or wherever he wants to bring it in. I do not care where it comes in and I said that a year ago.

I am asking that we prevent any of this from occurring from now on. I took the minister at his word a year ago when he said he was going to prevent this. I think he, like I, found this questionnaire quite offensive. I would think we should not have to wait any longer now to ensure that it cannot occur in future—all of it, not just certain parts of it. I would ask the minister if he can make some commitment as to what he intends to do to prevent this from occurring in the future?

Hon. Mr. Elgie: Mr. Chairman, I really cannot go beyond what I said. I think if the member will recall the discussions we had in this House and outside, it was my view that the majority of the concerns he expressed would be addressed in this bill. I am prepared to have discussions with the Minister of Health and within my own ministry about exactly for what areas this bill may not convey protection. The member would not expect me to give a commitment tonight to introduce legislation or to do these things. I know it is wonderful to say it, but he does not really mean it. However, I will say that to him.

Mr. Martel: Just one question. Are you the minister? If you are, then you should be able to give that commitment.

Mr. Chairman: Section 22(2) agreed to? Agreed. Any further comment?

Mr. Renwick: Mr. Chairman, I would like to have a word on section 22(3) and section 22(4). My comment on subsection 3 is this question I was relating to earlier with respect to handicapped people and the denial of access, or the capacity, because of the handicap, to have questions raised with respect to their ability to perform a job.

Nothing in subsection 3 precludes the asking of questions at a personal employment inter-

view concerning a prohibited ground of discrimination or discrimination on such ground as permitted under this act. That is one of the marvelous phrases. You can ask any question you want about a prohibited ground of discrimination as long as you can find somewhere else in the act which indicates that the prohibited ground of discrimination is not discrimination. That is about as far as you can go with lawyers' gobbledegook when it comes to questions of human rights.

May I move on, sir, to subsection 4 dealing with employment agencies. Subsection 4 deals with the vexed question with respect to the infringement of employment where an employment agency discriminates against a person because of a prohibited ground and so on and so forth.

I want to draw to the attention of the assembly the long period of time which has gone by since the Canadian Civil Liberties Association reported to the minister on the W5 program about the telephone calls they had made. I think I must read a couple of pages of the letter from Alan Borovoy, general counsel for the Canadian Civil Liberties Association, written on Monday, December 8, 1980, to the minister in which he stated that he welcomed a number of the improvements in the predecessor of this bill, Bill 209.

He goes on to say that he is concerned about a number of other problems. "On Sunday evening, December 7, CTV's W5 show carried an item describing an employment agency survey which was conducted by our organization within the last few months. On the basis of random selection, we telephoned 25 agencies in four cities across the country—Halifax, Toronto, Winnipeg and Vancouver. We told all of the agencies that we were representing an American firm which was planning to set up operations within their community within the near future. Our telephoner indicated that he was not placing an order at this time, he was simply familiarizing himself with the territory in advance of the move. After exchanging a number of comments about the nature of the business and the available pool of talent our telephoner advised the agency that the American firm he represented wanted white people to fill the sales positions involved.

9:50 p.m.

"He pointedly asked whether the agency would be prepared to screen out nonwhites so that the American company would be spared any embarrassing incidents. Of the 25 agencies

we telephoned, only three said flatly that they would not fill such a discriminatory job order. In at least 17 cases the agencies indicated their willingness to screen out nonwhites. This might be called a moderate calculation; while the remaining five were somewhat vague in their responses, it is significant that they did not expressly refuse.

"We believe you will be interested in what the survey uncovered within the jurisdiction of your ministry in the city of Toronto. Of the 10 agencies called in Toronto only one clearly said no. As many as seven expressed a willingness to abide by the whites-only restriction. The remaining two were in the vague but nonrefusal category."

The general counsel for the civil liberties association goes on to indicate quite clearly that this was not the first time they brought the matter to the minister's attention. The news report on December 13, 1980, in the *Toronto Star* refers to this matter. It says:

"Yesterday Ontario Labour Minister Robert Elgie pledged to tighten up legislation that until now has allowed massive racial discrimination to be practised in the job placement field in this province." It refers to the Canadian Civil Liberties Association survey. It goes on: "Elgie plans to combat the situation by amending the Employment Agencies Act" and so on and so forth. "Elgie's fast reply was hailed yesterday by Borovoy as a good response and very much appreciated."

I raised the matter with the minister in the committee. The ministry wrote to me on November 20, 1981, indicating the concerns they had about this problem and indicating that it was to "evaluate the relative merits of these and other approaches that the task force was created early this fall. An official of the ministry has been seconded to work with the director of employment standards and the executive director of the human rights commission and myself"—"myself" being Nicholas Ignatieff, assistant deputy minister. "His program of activity includes examination of the acts and regulations of other jurisdictions in North America as well as those in Europe, and the investigation of a sample of agencies. It is planned to complete the investigation and recommend a course of action as soon as possible."

Time goes by. The discrimination continues to exist; the problem is not solved. It disappears from public view, and we try to resurrect it occasionally here. The people in Intercede were equally concerned about this problem, as I

understand it. The minister has examples of the kinds of advertisements that appear as classified ads, which are indirectly discriminatory in the way they apply to applications for employment by domestic persons. It urges a number of considerations but is particularly concerned about the role of employment agencies.

I do not know whether the minister wants to comment any further than he did in his reply to me of November 20, 1981, but if there is any way we can resurrect the issue, get some action from the ministry on it and have this problem solved, we would appreciate it.

Hon. Mr. Elgie: Mr. Chairman, my remarks will in essence be the same as those reported in the letter and discussed in committee. But I think it is important this member and other members of the House understand there is no lack of interest in what we perceive to be a real problem. The chairman of the Canadian Civil Liberties Association would, I am sure, enthusiastically report to him that he would not recommend to the Ministry of Labour—and I hope the member for Riverdale is listening to the response he wanted—the method used by that association to obtain the information they did: namely, entrapment. He would not, I am sure, recommend that a public agency set out using methods of entrapment. For that reason we endeavoured to see if there were other avenues we might use to enable us to obtain information about discriminatory activities by employment agencies.

The one avenue that was suggested that initially had some merit was that we require agencies to record a variety of information that would put in the hands of that agency information about age, sex, colour, creed and so forth. We finally came to the conclusion we would be handing them and requiring them to collect the kind of information we really did not want them to have.

We went back to the drawing boards again and, as a result of that, the internal committee that Mr. Ignatieff wrote to you about was established. We have seconded someone to be chairman to try to bring advice from human rights and employment standards to reach a logical and acceptable solution. There is no attempt to avoid a solution to a problem. But let us be honest with each other and acknowledge that some of the solutions may be worse than the problem in terms of civil rights and liberties. That is our problem and we are attempting to deal with it.

Section 22 agreed to.

On section 23:

Mr. Renwick: I want to pay tribute to the effort made by the organization known as Intercede, the International Coalition to End Domestic Exploitation, to deal with this vexed question of section 23(c). It allows that a right under section 4 to equal treatment with respect to employment is not infringed, where an individual person refuses to employ another for reasons of any of the prohibited grounds of discrimination in section 4, "where the primary duty of the employment is attending to the medical or personal needs of the person or of an ill child or an aged, infirm or ill spouse or other relative of the person."

What has been of concern to that organization is the definitions that are used relating to domestic aide or personal servant. If you read the definitions of personal servant and domestic aide—and the only available definitions are with respect to the Department of Employment and Immigration—you will find, in a funny sense, they are interchangeable.

With respect to the exploitation of domestics, this clause may have a certain laudable, very narrow application related to a companion in the sense that those who come from upper middle class or aristocratic society would talk about a companion—that is, a person who is there to travel with a woman, to read an Ode to a Nightingale by Keats to her at night before she goes to sleep, to bring her tea in the morning, to read Dickens to her during the morning, assist her with her sewing and crocheting in the afternoon, that kind of companion function that perhaps has a place in this society. That is what is intended to be covered by it.

In the committee, we have been unable to get the minister to narrow the scope of that. I think it is a very justified conclusion that the clause will be used to discriminate against persons on the basis of the prohibited grounds set out in the code, if they apply for domestic employment. I think it is a very real concern. I am not prepared at this time to move the amendment, but I am very much concerned that the minister will give us some kind of assurance that matter will continue to be of concern to him and he will review regularly with that organization its very real concern about the loophole this produces in the act. Could we have that assurance from the minister?

10 p.m.

Hon. Mr. Elgie: Mr. Chairman, the member for Riverdale has my assurance that I will monitor, through the human rights commission the activities in relation to that subsection.

We think it was put in with a great deal of thought and sensitivity about people with medical or personal needs. One has to have someone in his family with those needs, some ill or dying parent or some child who is in that kind of condition, to know that he does not want anybody interfering with the kind of decisions he makes over who looks after him, his mother or his child in those situations.

I do not say that in any provocative way; I say it quite honestly. That is the reason the section is there, but I will agree to have the activity within the human rights commission monitored by someone on my staff over the months ahead.

Ms. Copps: On that same section, Mr. Chairman, the minister is well aware our party was prepared to accept the notion of the inclusion of medical needs. But when the definition of personal needs is included, it creates the situation of ambiguity. We certainly pointed out that ambiguity in committee and asked the minister to delete that section. However, he saw fit not to do so. I think there is a very real danger that in some situations there may be discrimination on the basis of some of those prohibited grounds simply in the hiring of someone who would be a cleaning woman, for example, and that is not acceptable.

We also would outline our concerns. I do not want to repeat it because many of these motions and comments have been gone over and over again in committee. I understood that one of the functions of the committee was to hone down so that we would be talking about very specific major points and not bringing up every committee objection into committee of the whole.

Section 23 agreed to.

On section 24:

Mr. Chairman: Any discussion on section 24(1) and (2)?

Mr. Renwick: I think the minister had an amendment, did he not, on this?

Mr. Chairman: I thought it was section 24(3).

Hon. Mr. Elgie: Subsection 3.

Mr. Chairman: I thought we would clear off subsections 1 and 2.

Shall section 24(1) and (2) carry? Carried.

Hon. Mr. Elgie: moves that section 24(3)(a) of Bill 7 be amended by adding after the word "disability" in the second line, the words "or life insurance."

Hon. Mr. Elgie: Mr. Chairman, this was brought to my attention by staff and by counsel. Particularly in the employment context there

were matters related to life insurance where the pre-existing handicap could well substantially increase the risk. Since it is not uncommon to have life insurance as part of an employment package it was necessary to add it to that section.

Mr. Chairman: Any discussion on the proposed amendment?

Those in favour of the minister's amendment to section 24(3)(a) will please say "aye."

Those opposed will please say "nay."

In my opinion the ayes have it.

Motion agreed to.

Mr. Chairman: Mr. Renwick moves that the words "distinction, exclusion or preference" in section 24(3) be eliminated in two places and that the word "discriminate" be inserted in lieu thereof.

Would the member for Riverdale like any further discussion?

Mr. Renwick: No. The same comments on the similar amendment to sections 10 and 21 apply to this.

Mr. Chairman: No further discussion by any other member of the proposed amendment?

Hon. Mr. Elgie: The same comments as in sections 10 and 21 apply.

The Deputy Chairman: Those in favour of Mr. Renwick's amendment to section 24 will please say "aye."

Those opposed will please say "nay."

In my opinion the nays have it.

Amendment stacked.

The Deputy Chairman: Mr. Renwick moves that section 24(3)(b) be amended by adding at the end the words, "because the pre-existing handicaps substantially increase the risk."

Mr. Renwick: I need not elaborate on the points I made. The same amendment that I moved on section 21 applies to this problem as well. Elsewhere, in section 24(3)(a), the minister has that provision about substantially increasing the risk. It should be included in clause (b), and I would so commend it to the House.

Hon. Mr. Elgie: The arguments are essentially the same as those that we discussed in section 21. Once again, in section 24(3)(b) we are talking about more than just premiums and the risk involved. We are talking about benefits. We already have the benefit of a reasonable and bona fide section, which requires both the subjective and objective evaluation of those distinctions. I would have to oppose the amendment.

The Deputy Chairman: Those in favour of Mr. Renwick's amendment will please say "aye."

Those opposed will please say "nay."

In my opinion the nays have it.

Amendment stacked.

Sections 25 to 31, inclusive, agreed to.

On section 32:

The Deputy Chairman: Mr. Eakins moves that section 32(5) be amended by striking out the words "may request the minister to appoint a board of inquiry or may authorize an employee or a member to," in the fourth, fifth and sixth lines and replacing them by "must."

Mr. Eakins: Refusing entry, I believe, is not reason to call a board of inquiry, and to do so could cast some form of guilt on that person. I believe it would be much better to apply for a warrant.

Ms. Copps: To clarify, I think from a procedural point of view we anticipated that was similar to the amendment that was originally introduced by the member for Riverdale, and if section 32(5) is passed, we would also move that amendment to section 32(6), which basically covers, first, the question of entry, and second, the question of removal of documents. So there are two separate amendments.

The Deputy Chairman: We are dealing only with this amendment right now.

Ms. Copps: I understand that, but the reason we did not introduce the second amendment under the second area was that we anticipate it is possible the government will not pass this amendment. In the interest of expediency, we introduced this amendment. That principle, I believe was endorsed by the chair on the first issues of sexual orientation in sections 1 to 5. It is just in that context that we will be introducing the same amendment to cover not only entry into the premises but also removal of documents.

10:10 p.m.

Hon. Mr. Elgie: The amendment I have is in respect to subsection 6. What else are you proposing?

Ms. Copps: The amendment the minister has should be numbered section 32(5).

Hon. Mr. Elgie: Section 32(6), by striking out the words, "may request the minister to appoint."

Ms. Copps: Section 32(5) and section 32(6) cover basically the same territory. Section 32(5) covers entry into the premises and—

Hon. Mr. Elgie: Do you want that to apply to both?

Ms. Copps: Yes, that is basically what I am asking some direction from the chair for.

Hon. Mr. Elgie: The member for Hamilton Centre has said we have discussed this at length. It is absolutely essential the commission have the option of either obtaining a warrant or, in cases where it does not have sufficient evidence to justify a warrant, it have the option of having a board of inquiry require the production of documents, with all the rules of natural justice applying and with the board having the power as it does in this bill to adjourn so the documents may be reviewed. Those are options we cannot take away from the commission if we expect it to be effective in its role.

Ms. Copps: I wanted to speak in favour of the amendments for the reason outlined by Mr. Eakins, which is we had a number of lawyers who appeared before the committee and who felt, in a situation similar to that described by the minister, it would not be difficult to obtain a warrant.

The compulsion to attend a board of inquiry presumes guilt on the part of the alleged infringer of the right. My understanding of the human rights code to date is such that the only time a board of inquiry is convened is when there has been an alleged infringement of the right.

I also wanted to speak tonight in an effort to alert this House to the fact there have certainly been government members who have been extremely vocal in opposition to the notion of warrantless searches. This legislation does not respond to that complaint. Therefore, I would expect those in the House who have spoken out very vocally against this legislation in their communities to continue to do so here.

I call upon the member for Prince Edward-Lennox (Mr. J. A. Taylor), who has called this legislation nothing short of Socialist dogma to stand up and be counted tonight in support of this amendment if he is not making the kinds of statements he has made in the past on the basis of political motivation.

There are other members on the government side of the House who have been vocal in opposing warrantless searches. We feel this amendment will cover that objection. It is an amendment which will allow the human rights

commission the opportunity to enter premises on the first instance, but where a party feels he does not want to have his rights infringed by either entry or removal of documents, the only alternative now would be to ask the human rights commission to obtain a warrant.

It is a legal procedure that would not impede the system. To convene a board of inquiry would be more bureaucratic and expensive for the taxpayers at large. We call upon those on the government side who have been so vocal in opposition to warrantless searches to stand up tonight. Otherwise, their words will ring very hollow across the community of Ontario.

Mr. Renwick: The amendment which has been proposed by the member for Victoria-Haliburton and spoken to by the member for Hamilton Centre is one which might well have some merit. I am not prepared to support that amendment, either in subsections 5 or 6, at the present time.

The whole of section 32 and the powers with respect to investigation are of real importance to the commission. We have gone over every single word in those clauses from the original proposal. The minister, with his amendments, in response to criticisms by many people has come up with a sound proposal. All of us want the commission to operate in accordance with accepted legal practices. I believe these are quite within that framework.

I understand the reasons for the amendment, and I understand the concerns we have had about it. But there have been substantial improvements in this section since the time it first saw the light of day, I have listened to the government minister responsible for it and I am prepared to let it stand the way it is.

The Deputy Chairman: Thank you. We are close to the time. Is there any further debate on this motion?

Those in favour of Mr. Eakins's amendment will please say "aye."

Those opposed will please say "nay."

In my opinion the nays have it.

Amendment stacked.

The Deputy Chairman: It being 10:15, I understand there is an agreement that there would be a stacked vote and there would be a 10-minute bell.

Mr. Renwick: Mr. Chairman, there is one further amendment which was stood down until the end. I would like to move that amendment.

The Deputy Chairman: I am afraid the timing is such that it is 10:15, and our—

Mr. Renwick: We could complete the bill, with the consent of the House, if you want to.

The Deputy Chairman: With the consent of the House.

Mr. Nixon: Mr. Chairman, having seen my honourable friend in operation for the last number of hours, if he has got one more amendment I think we would be looking at probably another 20 minutes. My own feeling is that we should proceed by the agreement, ring the bells and vote now, and return to the bill when we are not rushing.

Mr. Renwick: Mr. Chairman, I am, as always, in the hands of the House. The House would like to complete the bill this evening.

The Deputy Chairman: The agreement stands. Call in the members.

10:25 p.m.

Mr. Chairman: To refresh members' memories, we are dealing with Bill 7, An Act to revise and extend Protection of Human Rights in Ontario. We have a number of amendments. We trust we will get the co-operation of all members during the count and the recording of the count.

The member for Riverdale has proposed that sections 1 to 5, inclusive, be amended by adding after the word "sex" the words "sexual orientation."

The committee divided on Mr. Renwick's amendment, which was negatived on the following vote:

Ayes 23; nays 69.

Mr. Chairman: The member for Huron-Middlesex (Mr. Riddell) has proposed that sections 1 to 5, inclusive, be amended by adding after the words "family status" the words "political belief."

The committee divided on Mr. Riddell's amendment, which was negatived on the following vote:

Ayes 37; nays 55.

10:30 p.m.

[Interruption.]

Mr. Chairman: I am going to have to ask that the gallery be cleared. I am leaving the chair for five minutes.

The Chairman suspended the proceedings of the committee at 10:31 p.m.

10:37 p.m.

Mr. Chairman: Order, please. I will allow 30 seconds for members to get back to their seats.

The committee divided on Ms. Copps's amendment to sections 1 to 5, inclusive, which was negatived on the following vote:

Ayes 36; nays 57.

10:40 p.m.

The committee divided on Mr. Di Santo's amendment to sections 1 to 5, inclusive, which was negatived on the following vote:

Ayes 37; nays 56.

The committee divided on Mr. R. F. Johnston's amendment to sections 1 to 5, inclusive, which was negatived on the following vote:

Ayes 37; nays 56.

Sections 1 to 5, inclusive, agreed to.

The committee divided on Ms. Copps's amendment to section 9(a), which was negatived on the following vote:

Ayes 19; nays 74.

The committee divided on Mr. Renwick's amendment to section 9(a), which was negatived on the following vote:

Ayes 36; nays 57.

The committee divided on Mr. Renwick's amendment to section 9(c), which was negatived on the following vote:

Ayes 37; nays 56.

Mr. Renwick: On a point of order, Mr. Chairman: Will you read the amendments into the record?

Mr. Chairman: Mr. Renwick has moved that section 9(h) be struck out and the following substituted therefor:

"(h) 'record of offences' means a conviction for (i) an offence in respect of which a pardon has been granted under the Criminal Records Act (Canada) and has not been revoked, or (ii) an offence punishable on summary conviction and proceedings under part XXIV of the Criminal Code or part III in the sense and respect of any provincial enactment."

The committee divided on Mr. Renwick's amendment to section 9(h), which was negatived on the same vote.

The committee divided on Ms. Copps's amendment to section 9, which was negatived on the same vote.

Section 9 agreed to.

Mr. Chairman: Mr. Renwick has moved that section 10 be amended by deleting the words “the exclusion, qualification or preference of” and the words “discrimination against” be inserted in lieu thereof.

The committee divided on Mr. Renwick’s amendment to section 10, which was negated on the same vote.

Sections 10 and 11 agreed to.

Mr. Chairman: Mr. Renwick has moved that section 12 be amended by inserting before the word “notice” the word “statement.”

The committee divided on Mr. Renwick’s amendment to section 12, which was negated on the following vote:

Ayes 16; nays 77.

Section 12 agreed to.

10:50 p.m.

Mr. Chairman: Mr. Renwick has moved that section 16(2)—shall I dispense with the reading?

Some hon. members: Agreed.

Mr. Renwick: On a point of order, Mr. Chairman: I would ask you to please read each of the amendments proposed by this caucus.

Mr. Chairman: Mr. Renwick has moved that section 16(2) be amended by adding thereto the words, “or may nevertheless request the minister to appoint a board of inquiry and refer the subject matter of the complaint to the board,” and by adding thereto the following subsection:

“(3) When a board of inquiry is appointed pursuant to subsection 2, the board may then proceed to make the inquiry in the order provided for in subsection 2 or subsection 3 of section 40, as the case may be.”

The committee divided on Mr. Renwick’s amendment to section 16(2), which was negated on the same vote.

Section 16 agreed to.

Hon. Mr. Elgie: On a point of order, Mr. Chairman: There was an amendment to section 19(3) moved by the minister.

Mr. Chairman: It was carried, not stacked.

The committee divided on Mr. Renwick’s motion that section 20(4) not stand as part of the bill, which was negated on the following vote:

Ayes 37; nays 56.

Section 20 agreed to.

Mr. Chairman: Mr. Renwick has moved that in section 21 the words “differentiates or makes a distinction, exclusion or preference” be deleted and the word “discriminates” be inserted in lieu thereof.

The committee divided on Mr. Renwick’s amendment to section 21, which was negated on the same vote.

Mr. Chairman: Mr. Renwick has moved that section 21 be amended by deleting all the words after “annuity” and substituting therefor the words “discriminates on reasonable and bona fide grounds because the age, sex, marital status, family status or handicap substantially increases the risk.”

The committee divided on Mr. Renwick’s amendment to section 21, which was negated on the same vote.

The committee divided on Mr. Renwick’s motion that section 21 not stand as part of the bill, which was negated on the same vote.

Section 21 agreed to.

Mr. Chairman: Mr. Renwick has moved that section 24 be amended by eliminating the words “distinction, exclusion or preference” in two places in subsection 3 and inserting the word “discriminate” in lieu thereof.

The committee divided on Mr. Renwick’s amendment to section 24(3), which was negated on the same vote.

Mr. Chairman: Mr. Renwick has moved that clause (b) of section 24(3) be amended by adding at the end thereof the words “because the pre-existing handicap substantially increases the risk.”

The committee divided on Mr. Renwick’s amendment to section 24(3)(b), which was negated on the same vote.

Section 24, as amended, agreed to.

The committee divided on Mr. Eakins’s amendment to section 32(5) and 32(6), which was negated on the following vote:

Ayes 21; nays 72.

On motion by Hon. Mr. Wells, the committee of the whole House reported progress.

The House adjourned at 10:56 p.m.

CONTENTS

Tuesday, December 1, 1981

Committee of the whole House

Human Rights Code, Bill 7, Mr. Elgie, adjourned. 4111

Adjournment. 4133

SPEAKERS IN THIS ISSUE

- Bryden, M. H. (Beaches-Woodbine NDP)
- Copps, S. M. (Hamilton Centre L)
- Cousens, D.; Deputy Chairman (York Centre PC)
- Cureatz, S. L.; Chairman (Durham East PC)
- Di Santo, O. (Downsview NDP)
- Eakins, J. F. (Victoria-Haliburton L)
- Elgie, Hon. R. G.; Minister of Labour (York East PC)
- Johnston, R. F. (Scarborough West NDP)
- Martel, E. W. (Sudbury East NDP)
- McClellan, R. A. (Bellwoods NDP)
- Nixon, R. F. (Brant-Oxford-Norfolk L)
- Renwick, J. A. (Riverdale NDP)
- Samis, G. R. (Cornwall NDP)
- Treleaven, R. L. (Oxford PC)

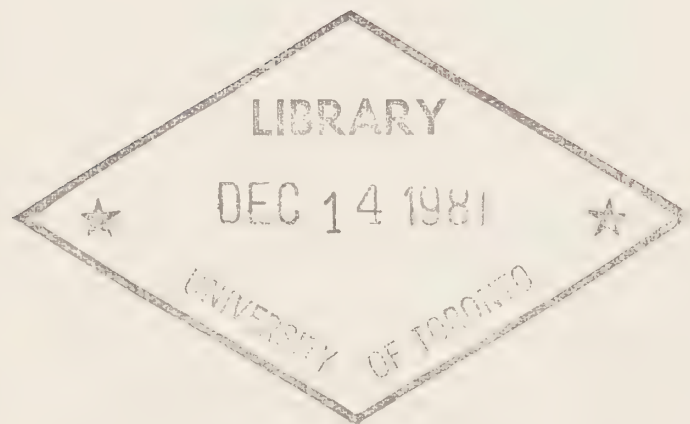


No. 116

Ontario, *LEGISLATIVE ASSEMBLY*

Legislature of Ontario Debates

Official Report (Hansard)



First Session, Thirty-Second Parliament

Thursday, December 3, 1981

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Thursday, December 3, 1981

The House met at 2 p.m.

Prayers.

WRITTEN QUESTIONS

Mr. T. P. Reid: Perhaps I could rise on a point of order, Mr. Speaker. In response to question 92 on the Order Paper, placed by me on May 13, 1981, the minister responsible, the member for Dufferin-Simcoe (Mr. McCague), tabled on July 3, 1981, a list of all public opinion polls that the government had commissioned between March 11, 1980, and February 1, 1981, and their costs.

At that time, the minister stated that copies of these polls would be tabled individually by the ministers involved. The minister also indicated on May 19, 1981, that the information would be made available by approximately mid-June 1981.

My point of order, Mr. Speaker, is that to date only nine of the total of 25 polls have been tabled. Two of the polls tabled include only every other page. These were polls conducted by the Ministry of Energy, interestingly enough. Finally, it seems that some of the ministers involved have tabled old polls, taken in 1974, 1975 and 1976, to avoid tabling the ones I had specifically asked for.

Mr. Speaker, I ask you to ensure that the polls outstanding be tabled immediately.

Mr. Speaker: Thank you.

Mr. Smith: Is there going to be a statement? Is there going to be a reply to that?

Mr. T. P. Reid: Mr. Speaker, maybe we could hear from the government House leader, who is supposed to orchestrate these things.

Hon. Mr. Wells: Mr. Speaker, I think the point raised by my friend is an interesting one, and I will be happy to look into it. I know the answer tabled was the answer the government presented. It is the intention of all my colleagues who had various ministries to table the polls that were conducted. I was not aware that some of them had not been tabled. I will be glad to check and find out when the others will be tabled.

ORAL QUESTIONS

ONTARIO ENERGY INVESTMENT

Mr. Smith: Mr. Speaker, I have a question for the Minister of Energy. The Treasurer (Mr. F. S.

Miller) informed this House some time ago that although the Suncor purchase would not produce jobs or additional oil for Ontario, it was a good business deal in his view.

The minister was present in our caucus room today when we heard from the experts who supposedly had endorsed the deal. Therefore, he knows the experts pointed out to us that, given the cost of money for the deal and given their estimates of what can be hoped for by way of return in total, both capital gain and dividends over 25 years, their general hope was that, although we would lose money for a few years, it would even out and become a break-even deal over 25 years unless, perchance, we discovered oil such as in the Hibernia field. Those were their words.

Will the minister please answer the question that is now on the lips of everyone who attended that meeting today? In a province that is short of money and has so many pressing needs in terms of industry and the various services the government is to provide, why did the government enter a deal in which we are going to lose money for several years and in which the best hope we have, barring some fabulous oil discovery, will be to break even over 25 years?

Hon. Mr. Welch: Mr. Speaker, I think it would be helpful if we clarified some of the preamble before we get to the questions. It is unfortunate that the Leader of the Opposition (Mr. Smith) found it convenient to leave the caucus this morning before the people who had been invited had the opportunity to respond to the invitation of the—

Mr. Barlow: He had a press conference.

Interjections.

Mr. Speaker: Order.

Hon. Mr. Welch: For the record, the chairman of that particular caucus, gentleman that he is, had indicated before we adjourned that the Leader of the Opposition had one further question—

Mr. Smith: They answered all my questions. I listened to the rest. This is not responsive to my question. The question is, why did we buy the company?

Mr. Speaker: Order.

Hon. Mr. Welch: He indicated that, following the final question of the Leader of the Opposition, those who were there on the invitation of the Liberal Party would be given the opportunity to do some summing up and to have some opportunity of clarification. When we reached that point, the Leader of the Opposition found it convenient to stand up and say, "I do not have any further time," and walk out of the room. I think that should be understood. Obviously there was an appointment some place to expand on the matter.

Mr. Smith: They had answered my questions. Interjections.

Mr. Speaker: Order.

Hon. Mr. Welch: Fortunately, some of us stayed behind, including members of the media, and were provided with an opportunity to get some further clarification. If the Leader of the Opposition had remained, he would have had the opportunity to get some clarification made with respect to the very figures he is using.

He will recall that during his questioning, and I thought very relevant questions were asked during the course of that session with the Leader of the Opposition's party and his colleagues, he was told the advisers to the Ontario Energy Corporation had incorporated into their recommended valuation—that is, the fair price to be paid for 25 per cent of the shares of Suncor—that there would be an average rate of return of between 15 per cent and 20 per cent.

Suncor's proven and probable reserves were built into that valuation, and it did not include new findings. Indeed, built into that was the present oil pricing agreement between the governments of Canada and Alberta, but it did not necessarily go on to reflect what would happen after 1986. I am sorry; the valuation did, in fact, carry with it some assumption with respect to that escalation. Therefore, the new finds to which the Leader of the Opposition makes reference are not included as part of the 15 or 20 per cent, only the proven and the probable ones; so the 15 to 20 per cent is there and is in place now.

2:10 p.m.

One has to see this investment in terms of the energy policy of this province. Indeed, we announced a year ago, as part of the energy policy initiatives of this government, that we were instructing the Ontario Energy Corporation to seek opportunities to become involved in the Canadianization process.

We live in a province that has very little oil

and gas. It is therefore essential that we address the needs of this very large consuming province, which depends, as it will for some time, on hydrocarbons for part of its energy requirements—indeed, for 65 per cent of its energy requirements. We wanted to be there to facilitate the Canadianization of a particular company, which would then attract the incentive grants that would allow it to open up these lands with their proven and probable reserves and therefore address the whole question of supply.

We pointed out at that time that out of every dollar invested in oil and gas in this country about 42 cents will accrue to Ontario, and we could go on to spell out in a very real and positive way what that means with respect to the size of the investments that it is anticipated will have to be made in order for Canada to become self-sufficient in crude oil.

Although a substantial percentage of the investments that are being talked about now will be in Alberta, we must not lose sight of the spinoffs to this province, particularly the refinery and retail operations of the company we are talking about. This is in Ontario's interest, because it is Ontario's contribution to the national target of crude oil self-sufficiency. We are moving on a number of fronts, and this has to be seen as very important for the economic wellbeing of this province.

It is unfortunate that we were not given the opportunity to share all this information, because it might have disturbed the quick summary the member was very anxious to leave as a lingering last comment on the meeting.

Mr. Smith: Since the minister has now confirmed the accuracy of the quick summary I presented, namely, that the government has spent \$650 million it has had to borrow at a long-term rate of between 17 and 18 per cent—at least, that is what they thought it would be, and it may well be that over the years—since the government has done that to achieve a return that is estimated to be somewhere around 15 per cent and might, if we are lucky, go as high as 20; since we can expect, therefore, to lose money for the next several difficult years in Ontario, in the hope that we will break even over the course of about 25 years, unless they discover new oil; and since the minister is saying that this speculative venture is based entirely—

Mr. Speaker: Question.

Mr. Smith: Mr. Speaker, after the amount of time you gave the minister to describe the goings-on in our caucus meeting, you will let me ask a question.

When even breaking even on this deal will depend on whether the price of oil from the tar sands goes to about \$110 to \$120 a barrel within 10 years, the only reason he spent \$650 million he did not have is that he thought the oil under the ground which Suncor happens to have leases on would otherwise not be discovered.

Is that what he is saying to the people of Ontario, that he has spent \$650 million of our money plus interest in a deal in which we will be lucky to break even over 25 years? We are going to lose money when we most need it just because he thinks the oil in the ground that Suncor leases would not otherwise be discovered. Is that what he is saying?

Hon. Mr. Welch: I rise in response to this supplementary question simply to point out that the conclusion that is reached as far as breaking even is concerned is the opinion of the Leader of the Opposition.

Mr. Smith: It's the opinion of the experts. The experts told us that.

Mr. Speaker: Order.

Hon. Mr. Welch: We are saying that built into the assumptions that were used to make this calculation was the 15 to 20 per cent return. The new finds to which the honourable member makes reference will then appreciate that figure, and so will go beyond it, subject to that.

Mr. Smith: You have to hope we strike oil, to pray that we strike oil.

Hon. Mr. Welch: The Leader of the Opposition has to see this investment in the context of the energy policy and the objectives and targets with respect to that policy. This country is dedicated to crude oil self-sufficiency by 1990. The Canadianization process is part of that. And to stimulate exploration—

Mr. Smith: We're paying \$650 million for a speculation. It's the worst disgrace I've ever seen here.

Mr. Speaker: Order.

Mr. Sargent: Supplementary, Mr. Speaker—

Hon. Mr. Welch: Well, I have not finished the answer yet.

Mr. Riddell: We of the farm community call that heifer dust.

Mr. Ruston: Close the hospitals—

Mr. Speaker: Order. The minister is responding to a supplementary from the Leader of the Opposition.

Hon. Mr. Welch: To stimulate exploration and to take advantage of those generous grants

being provided by the government of Canada under the national energy program, there are certain criteria that have to be met. This province and the people of Ontario are prepared to make that investment today with respect to crude oil supply against the background of that policy. The people of Ontario are going to require that. This is a long-term investment. Indeed, I remind the Leader of the Opposition that if he and his party had been in power in this province 18 years ago we would still be burning oil for electricity and expanded coal. It takes some vision and some leadership in this area, and that is why we are involved in it.

Mr. Riddell: You make a lot of noise for a pipsqueak.

Hon. Mr. Davis: You guys would have told Marconi to go peddle his fish.

Mr. Speaker: Order.

Hon. Mr. Davis: You used to quote Mel Hurtig.

Mr. Speaker: Order.

Mr. Cassidy: Mr. Speaker, it has already been established that the province one way or the other will have to borrow \$650 million, and we know from the briefing today that there is a substantial carrying cost on this investment which will go on for quite a number of years.

Will the minister explain why it is that when Suncor and Sun Oil had been to 15 other places looking for a Canadian buyer for a substantial part of the company—when they were desperate to find a buyer—no effort was made by the Ontario government to get any commitment from Suncor with respect to investment in this province?

Can he explain why there was no effort with respect to procurement within in this province, with respect to job creation within this province, with respect to research and development within this province or even with respect to the dividend policy the company was going to carry out? Why did he seek to get so little when he is putting so much into the deal?

Mr. Smith: And he's for the deal. Imagine if he were against it.

Mr. Speaker: Order.

Hon. Mr. Welch: Just one or two observations, Mr. Speaker: The visit this morning with the caucus of the third party was a pleasant experience—

Mr. Smith: Oh, I'm sure it was.

Mr. Ruston: The minister is paying for 30 NDP members, he should know.

Mr. Speaker: Order. Will the minister just respond to the question, please?

Hon. Mr. Welch: It was a pleasant experience because of the courtesies that were extended. Even the minister was made to feel welcome and, indeed, was expected at the first meeting—

Mr. Smith: When Malcolm Rowan starts telling the truth, I will treat him graciously.

Hon. Mr. Davis: Are you saying Tom Kierans is not telling the truth? Say that outside.

Mr. Smith: I did say it outside.

Hon. Mr. Davis: That Tommy Kierans isn't telling the truth?

Mr. Smith: No. Rowan.

Mr. Speaker: Order, please. The Minister of Energy has the floor responding to the member for Ottawa Centre (Mr. Cassidy). Will the Leader of the Opposition and the Premier please contain themselves?

Hon. Mr. Welch: There is no question with respect to the differential, with respect to the cost and with respect to earnings as they are represented both in cash dividends and reinvested earnings. As we pointed out during the course of the discussion this morning, we expect those lines will cross, although it was very difficult to predict the year in which they would actually cross.

As was explained this morning, we found this company an ideal candidate with respect to our policy decision in so far as Canadianization was concerned. It was almost wholly American-owned and it had extensive holdings as far as the frontier and the Arctic were concerned. Third, it had some experience already with respect to synthetic oil development and a fairly significant retail operation in Ontario along with its refinery in Sarnia. We felt it was a good candidate from the standpoint of our negotiations.

2:20 p.m.

The honourable member knows that the Ontario Energy Corporation will have representation on the board and will bring whatever influence it can to bear with respect to a number of issues. We have to keep in mind that we have not bought control and we are not managing the company; but we feel quite satisfied that, in keeping with good corporate citizenship in this province, the company will be persuaded to discharge its responsibilities along those particular lines.

Mr. T. P. Reid: Mr. Speaker, in regard to the process: In view of the fact that these negotiations took place and direction was given by the government last fall before the election of

March 19 took place, does the minister not think his party owed it to the people of Ontario to tell them that one of the promises we heard so much about was that we were going to spend \$650 million in buying an oil company—probably the largest expenditure the government has ever made, with the exception of Ontario Hydro—and that the priority of the government was to do that rather than to put that money into industry, social services, hospitals and education? Does the minister not think he owes the people that amount of truth?

Hon. Mr. Welch: Mr. Speaker, I think it is very important to keep the calendar in mind. Members of the opposition were told this morning during the caucus presentations that the negotiations with Suncor did not start until May, and the honourable member is talking about consultation with the people in March. He is talking in terms of a policy decision by this government, which was underlined and enunciated in October 1980; and we talked about that a great deal. In fact, we talked about the energy initiatives of this province. One of the reasons the people of this province have confidence in this administration—

Mr. T. P. Reid: You didn't tell the people you were going to spend \$650 million on an oil company, or else you wouldn't be here.

Hon. Mr. Welch: How could they be told in March when we did not enter into the agreement until October of this year?

Mr. Smith: It's the craziest deal I have ever heard of.

Mr. Speaker: Order.

Mr. Smith: We will not break even unless we find a Hibernia. What a ridiculous way to use money.

HOSPITAL SERVICES

Mr. Smith: Mr. Speaker, I have a question for the Minister of Health. The minister and I were on the radio this morning at different times, and I heard him say he is very proud, as I am, of the fact that in the recent past Ontario hospitals have always admitted patients to available beds, regardless of the patient's ability to pay; if the patient did not have coverage, he could still get into a semi-private bed. The minister must surely be aware that this was because, among other things, it was no skin off the nose of the hospital to do so; it did not lose anything by so doing.

Since the minister has introduced a new program specifically because he believes incen-

tives will change the behaviour of the hospitals, why has he now introduced a system of incentives whereby the hospitals will be penalized every time they admit a nonpaying patient into a semi-private bed? Is it the intention of the government to compensate the hospitals each time such a patient is admitted to a semi-private bed?

Hon. Mr. Timbrell: Mr. Speaker, if one looked at it that way, I suppose one could argue the hospitals were penalized because under the existing arrangements, which have been in force for several decades, the government takes back 65 per cent of the preferred accommodation revenue and the hospitals retain the 35 per cent balance. So one could argue they were penalized.

Mr. Smith: There was no substantive revenue involved.

Hon. Mr. Timbrell: They were penalized because there was no revenue. I am just following the member's argument. One could argue that. I would like to put on the record the fact that people have been admitted to whatever beds were available, regardless of whether they had third-party insurance, semi-private or private, for two reasons: first, in this province no physician in any hospital would turn anybody away for lack of that coverage and, second, it is in the law that they must admit people.

Let me quote two sections of the law that specifically apply. First, quoting from the Public Hospitals Act, section 17 states: "Where (a) a person has been admitted to a hospital by a physician pursuant to the regulations and (b) such person requires the level or type of hospital care for which the hospital is approved by the regulations, the hospital shall accept such person as a patient."

Second, in relation to that and to this concern let me quote to the member section 37 of the regulations under the Health Insurance Act: "Subject to section 39(a), the in-patient services to which an insured person is entitled without charge other than the prescribed premium are all of the following services:"—the first one is the most important—"accommodation and meals at the standard or public ward level . . ."

Nobody ever has been and nobody ever will be turned away from a hospital in this province on admission by a physician because he does not have third-party insurance.

Mr. Smith: Given that the minister ought to know something about the way in which incentives work in hospitals, since his whole program

is based on the belief that giving an incentive will change the hospitals' behaviour, does the minister not recognize that there will now be an incentive for the hospitals essentially to convert more beds to semi-private care, thus reducing the number of beds that are freely available for the ordinary citizens who cannot afford it?

He is going to cause an increase in premiums for insurance, of course, because of the increase in user fees that this involves. But, more than that, there is going to be an incentive for the hospitals to keep patients in the semi-private beds rather than to free them up, because of the danger that they will be occupied by standard, nonpaying patients.

If the hospitals' budgets are now to depend on these kinds of additional fees, he is going to put them in a spot where they will be forced to emphasize two-class medicine instead of the original idea, which was to eliminate class distinctions in medicine. Why is the government going back to the medicine of the 1950s when they have come so far since then?

Mr. Speaker: Just before the minister responds, I would ask all the private members to restrict their conversations in the House. If they want to carry on conversations, they should please go outside the House.

Hon. Mr. Timbrell: Mr. Speaker, the point, of course, is not to return to the medicine of the 1950s; nobody is talking about that. We are talking about making sure that the medicine of the 1980s is of a standard we want and at a price we can afford. Totally aside from the traditional operating practices of the hospitals, which would be not to turn anybody away, I have already read into the record the parts of the law that require them to admit those persons whom their physicians have indicated should be admitted to whatever bed is available.

Mr. Smith: They are waiting for electives; you know that.

Hon. Mr. Timbrell: Excuse me. I listened to the member's question.

To make the point even further, in the 1980-81 operating year slightly less than 52 per cent of the beds in the public hospitals were designated as standard ward beds, but more than 68 per cent of the bed utilization was at the standard ward rate. People are routinely being admitted to hospitals and, if a ward bed is not available, they are being put into private or semi-private rooms and are not being charged for it if they do not have the coverage.

What is more, let me tell the member that in

five years in this portfolio I cannot ever recall once receiving a letter from a private citizen in this province complaining that he was turned away, or from a physician complaining that his patient was turned away, because he did not have third-party insurance. I have had dozens of letters, if not hundreds, from people who have said, "I have Blue Cross, London Life, whatever—extended health coverage. I was admitted to hospital, and they did not put me in a semi-private room; they did not put me in the private room for which I have third-party coverage. They put me in a ward." That happens, not the other.

Mr. McClellan: Mr. Speaker, now that the Minister of Health has redefined our hospitals as businesses to operate on free enterprise principles and to finance their deficits through the sale of hospital beds to sick people, which is the essence of the speech he made the other day, will he tell us how many standard ward beds he anticipates will be alienated and diverted to private and semi-private use for sale? And how much money does the minister expect hospitals to raise through the sale of beds?

Hon. Mr. Timbrell: Mr. Speaker, I do not intend to get into a rhetorical kind of debate. I just want to deal with the facts; and I will restate the facts.

The law is very clear: Nobody ever has been and nobody ever will be turned away from a hospital in this province on admission by a physician for lack of a piece of paper that says he has semi-private or private coverage. That simply has never happened. The law is in place to make sure that it will never happen.

2:30 p.m.

Secondly, I anticipate that the changes probably will be very small and will come in over a protracted period of time. I do not think this is seen, even by the hospitals, as a major move. The major move for the hospitals is that for the first time in any jurisdiction in Canada, to my knowledge, we are turning around the budgeting process of hospitals so that the incentive now is there to operate with a surplus and not to spend up to the budget line as of midnight March 31.

Mr. McClellan: That's right. Sell the beds. Specials on appendectomies this week.

Mr. Smith: I suggested that six years ago; this is a different matter.

Mr. Speaker: Order.

Hon. Mr. Timbrell: They are to operate with

a surplus, and if they do, they can keep that money in the hospital for patient services which, after all, is what it is all about. That is what the whole set of new policies is all about; it is to make sure that we maximize the considerable amount of money, which is being spent for patient care.

Yesterday, I pointed out to the Ontario Hospital Association convention that more than 30 per cent of the money that is being spent on hospital services is going into the administration and nonpatient care area of hospital operation. Clearly, that is an area they have to look at to make economies that will free up money for additional patient care. That is the whole point of it.

Mr. Sweeney: Mr. Speaker, the minister has already indicated that the experience of the past few years has shown there has not been any incentive for the hospitals to divert people who cannot afford the more expensive facilities. Surely the minister realizes that, with the incentive he is now going to put in, that practice will turn completely around. The minister knows there are a large number of people in the province who have to wait for a long time to get into the hospital for certain kinds of elective surgery.

What kind of monitoring system is the minister going to put in place to assure us and to assure people outside of the Legislature that, whether or not a person can afford third-party coverage, he is going to get an equal chance and that the hospitals will not use the incentive to give preference to those people who have third party coverage as opposed to those who do not?

Hon. Mr. Timbrell: Mr. Speaker, the fact is that laws are in place to cover that. Second, the member may be sure that the first time any admissions clerk asks if a person has London Life, Blue Cross, Green Shield—something that says he can pay for the semi-private room—and denies somebody admission—

Mr. Sweeney: You just go to the bottom of the list.

Hon. Mr. Timbrell: No. They do not go to the bottom of the list. Admission to every hospital in this province is based on medical need. If the honourable member has a greater medical need than the member to his right, he will be admitted first. If not, he will wait for him.

Mr. Cassidy: It's based on your wallet now.

Mr. Smith: For electives, they will call the others first.

Mr. Sweeney: It is to their advantage to call the others first.

Mr. Speaker: Order, please. I want to point out to all honourable members that we have spent half the question period on two questions, interesting as they were, with long questions and even longer answers. I ask for the co-operation of all members in proceeding with dispatch, if we can.

Mr. Cassidy: Mr. Speaker, this is a very urgent and difficult issue, because the government is proposing to put the profit motive in where profit motive does not belong, in terms of hospital care for ordinary Ontarians.

I want to direct a question to the Premier, because the Premier made a speech at the Ontario Hospital Association on Monday which was almost a replica of the speech made on Wednesday by the Minister of Health and in which the Premier said quite specifically he wanted to see a business-oriented system of hospital management.

Is the Premier not aware that since 1958 Ontario has been part of a national hospital insurance scheme which, when it was set up, was to be comprehensive, was to have uniform terms and conditions, was to get away from any kind of means testing and was not to have any kind of user charges? Is the Premier not aware that Ontario will now be violating its commitments under the national health care scheme and jeopardizing Ontario's right to have shared funding from the federal government as far as hospital insurance is concerned?

Hon. Mr. Davis: Mr. Speaker, I will try to abide by your admonition. The answer to the honourable member's question is no.

Mr. Cassidy: The Premier is not taking the question seriously. That is billions of dollars of revenue as far as this province is concerned.

Is the Premier aware that by giving hospitals in upper-income communities the right to charge what the traffic will bear, to raise the fees on their beds for private and semi-private care, to increase the number of semi-private and private beds, while hospitals in areas like Windsor, Chislehurst and other communities that do not have a large number of people on the upper-income level will not be able to do so, we will be getting in this province a two-class system of health care?

Those upper-income communities will have Cadillac care, while the hospitals in places like Windsor will have to struggle to maintain any kind of a basic standard. Why is the government doing that?

Hon. Mr. Davis: My very short answer, once again, is that is not what will happen.

Mr. Smith: Mr. Speaker, given what we have seen of the basis of the Suncor deal, is the Premier at all surprised that he now heads a government that wants to see a business attitude in the hospital sector, but apparently not in the business sector?

Hon. Mr. Davis: Mr. Speaker, I may have to give a little lengthier answer to this. I recall the Leader of the Opposition some two or three years ago, in debating expenditures in the area of health, talking for greater efficiency and better management. That really is all the minister was saying. Certainly all I said was that we should be as efficient and as businesslike as possible in the operation and administration of the hospitals. I have news for the Leader of the Opposition: I think the majority of people agree with that, including those in the medical field themselves.

With respect to the second part of his question, I do not even know how relevant it was, and, since he is not listening, I will not endeavour to answer it.

Mr. McClellan: Mr. Speaker, I would just like to ask the Premier if he really believes the prices for private and semi-private beds in our hospitals in Ontario should be based on what the traffic will bear?

Hon. Mr. Davis: Mr. Speaker, I do not think it is a question of using the phrase, "what the traffic will bear." I think, really, we are saying a reasonable amount.

Mr. Cassidy: In fact, what happens is, if the doctor says the patient needs to get in, it will be the hospital administrator who decides whether the patient can afford to get into the bed.

Mr. Speaker: New question.

Mr. Cassidy: Mr. Speaker, my second question is also for the Premier. In the Hall commission report which came out a year or so ago Mr. Justice Hall, who was the father of the medicare system in our country, said, and I quote, "Accessibility is also made more difficult to some by the imposition of so-called authorized hospital ward charges."

He also said, and I quote, "This policy and practice of imposing hospital ward charges is an application of the user-pay concept, which is contrary to the principle and spirit of the national health care program advocated by the royal commission in 1964 and legislated into being in 1966." Could the Premier kindly give to the House a definition of what he considers to be user fees?

Hon. Mr. Davis: Mr. Speaker, the honourable member had a very long preamble to a very short question. I would take nothing away from Mr. Justice Hall. I have never regarded him as being the sole father of the health care system in Canada, but I would certainly give him some measure of credit.

I would only say to the honourable member, when he quotes that particular section, my recollection is that refers to a general fee for all hospital beds, not the question of a preferred fee. I draw a distinction between a user fee that has application to everyone, which we might call a deterrent fee, and the fees that had been traditionally charged for semi-private or private accommodation. That has been a part of the system here for generations. No one is changing that system.

Mr. Cassidy: The Premier seems to misunderstand what his Minister of Health announced two days after the Premier's speech to the Ontario Hospital Association on Monday, because on Wednesday what the minister said was that hospitals will be free to charge extra for semi-private and private rooms on 60, 70, 80, 95 per cent of the beds. As long as one ward bed is available in the hospital, it would appear the requirement to have some standard care available is actually being met.

2:40 p.m.

On Monday, the Premier said and I quote, "For the present, despite press reports, we have rejected new user fees for hospitals as a revenue-producing step." On Wednesday, the Minister of Health and the Premier were surely aware what the policy was to be. The Minister of Health announced a new user fee for hospitals with the increase in charges on private and semi-private care and the expansion of the number of beds.

My question is this: Why did the Premier lie to the Ontario Hospital Association in making that speech on Monday?

Mr. Speaker: Order. The member for Ottawa Centre knows full well that language is unparliamentary and is not allowed in this chamber. Will he please withdraw it?

Mr. Cassidy: Mr. Speaker, it is very seldom we get to this position in this House, but on Monday the Premier lied to the Ontario Hospital Association—

Mr. Speaker: Order. I am well aware. Everybody is well aware. I am asking you to withdraw your remarks.

Mr. Cassidy: I am sorry. I will not, Mr. Speaker. The Premier lied to the hospital association. Let him explain—

Interjections.

Mr. Speaker: Order. Did I hear the member for Ottawa Centre correctly?

Mr. Cassidy: As a matter of fact, Mr. Speaker, you did. The Premier lied on Monday when he said to the hospital—

Mr. Speaker: Order. It is with regret that I must name the honourable member and ask him to withdraw for the rest of the day.

Interjections.

Mr. Sargent: On a point of order, Mr. Speaker—

Mr. Speaker: Order. It is not debatable. The Sergeant at Arms.

Mr. Cassidy was escorted from the chamber by the Sergeant at Arms.

Interjections.

Mr. Speaker: Order. A new question, the member for Huron-Middlesex.

ASSISTANCE TO FARMERS

Mr. Riddell: Mr. Speaker, I have a question for the Minister of Agriculture and Food, who hopefully greeted the dawn knowing he had a farm to return to this weekend. The minister should think about that—a farm to return to this weekend. In view of the frustration and the desperation being felt in Ontario's farm community as a result of the financial crisis facing the farmers, will the minister now indicate to us what specific aid programs he intends to introduce that will benefit all our farmers?

I do not wish the minister to get up and talk about the beef industry or about that segment. Will he tell us what programs he will introduce that will benefit all our farmers and get them out of this financial trouble and will—

Mr. Speaker: Order. Will the member please ask his question?

Mr. Riddell: I have asked what aid the minister will render. Second, will he institute an immediate moratorium on farm foreclosures until the government comes in with assistance programs as recommended by the emergency task force on agriculture?

Hon. Mr. Henderson: Mr. Speaker, I am sure the honourable member was here on Tuesday afternoon of this week when I announced the cow-calf program. He is not proud of that but we are proud of it over here.

We understand the member. He is much like his leader. He just does not want to know the truth.

On Tuesday I announced that my deputy, the provincial Treasurer's deputy, Mr. Ralph Barrie, president of the Ontario Federation of Agriculture, and Mr. Everett Biggs will be on a committee along with a prominent farmer in this province to study the Biggs report and report to us.

Mr. Sargent: Mr. Speaker, in view of the minister's disgraceful performance—

Interjections.

Mr. Speaker: Question.

Mr. Sargent: As a preamble to what I am going to say—you allow everybody else; why not me?—in view of the fact that agriculture is facing disaster how does the minister tell the farmers of Ontario, when Quebec is spending \$300 million for mortgage foreclosure protection, that his boss is planning to buy a plane that has leather-covered toilet seats, a plane that is going to cost us \$4,000 an hour every hour it flies, on the basis of 500 hours a year, in interest alone, not talking about the other factors?

Will he tell me whether he made it perfectly clear to the bankers he talked to—because the uncaring and defensive attitude they have taken is unacceptable to us in Ontario and to the farmers in this audience today—that he will require these lending institutions to give advance notification before any foreclosure, and that he will work—before Christmas, according to his deputy minister—to set up a fund to put a moratorium on foreclosures in the agriculture industry? Will he do that?

Hon. Mr. Henderson: Mr. Speaker, about three weeks before the federal budget came down, the task force made a special trip to Ottawa to tell the federal government of the problem and to ask the federal government, the government that has the jurisdiction to do it, to consider just what the honourable member for Grey-Bruce is asking. They could not do it. When I met with the women from Grey-Bruce last Tuesday night—

Mr. Sargent: I know what they told you.

Hon. Mr. Henderson: Tell me what they told me. They told me it was the monetary policies of the government of Canada—

Interjections.

Mr. Speaker: Order. Will the minister just respond to the question, please?

Hon. Mr. Henderson: Yes, Mr. Speaker.

Mr. Riddell: What did you tell the bankers on Monday?

Mr. Speaker: Order. The minister is responding to a question from the member for Grey-Bruce.

Hon. Mr. Henderson: Mr. Speaker, these ladies told me it was high interest that was causing the problem. They told me they could afford to pay the 12 per cent interest which they originally considered, and they told me it was the monetary policies of the government of Canada that created all their problems. They told me the government would not listen to them; they have lost faith in them completely.

Mr. MacDonald: Mr. Speaker, we all know the Liberals in Ottawa are not doing their job. When is the minister going to pass in this House a bill that will give—

Interruption.

Mr. Speaker: Order. Will you escort that gentleman out of the chamber, please?

2:50 p.m.

Interjections.

Mr. Speaker: Order. Would the opposition members please allow the member for York South to ask his question? You have had your opportunity to ask questions.

Mr. MacDonald: I have a question for the Minister of Agriculture and Food, but he is not listening.

Interjections.

Mr. Speaker: Order. Will the member for Huron-Middlesex (Mr. Riddell) please be quiet?

Interjections.

Mr. Speaker: I would point out to the member for Huron-Middlesex that he had his opportunity to ask a question and now it is the turn of the member for York South.

Mr. MacDonald: Thank you, Mr. Speaker. I would say to the minister we know that the Liberals in Ottawa are not doing their job, so my question to him is: Will he pass in this House a bill comparable to the one that was introduced by my colleague the member for Riverdale (Mr. Renwick) last year, which would institute a moratorium for a period of one year? Will he pass that in this House and quit passing the buck to Ottawa?

Hon. Mr. Henderson: Mr. Speaker, I have tried to answer the honourable members but they apparently do not really want to know the true facts. They keep talking around in circles.

Interjections.

Mr. Speaker: Will the honourable members allow the minister to reply please?

Hon. Mr. Henderson: The honourable members know full well that that particular recommendation was made to the government of Canada. The committee felt the government of Canada was the government with such authority if it wished to act.

Interjections.

Mr. Speaker: Would the member for Algoma (Mr. Wildman) please contain himself and allow the minister to reply?

Hon. Mr. Henderson: Mr. Speaker, I have asked the committee to get together next Monday. I do not think we could ask a group of people to get together much quicker than that. This is one of the recommendations that committee will study.

Interjections.

Mr. Watson: Point of privilege, Mr. Speaker: I do not see why we should have to face those lights if there are no television cameras in the House.

Mr. Speaker: Obviously they are responding immediately.

Interjections.

Mr. Speaker: Order.

LAND SURVEYS

Mr. Mancini: Mr. Speaker, I have a question for the Minister of Government Services. Is the minister aware that his department is undertaking a significant land survey project in the township of Colchester South and that his department is sending four crews of four persons each to spend approximately two months in the area? Why would the minister undertake to send surveyors from Toronto at substantial cost to his ministry when the work could be done much cheaper and more efficiently by the local Essex county surveyors?

Hon. Mr. Wiseman: Mr. Speaker, a couple of members have been interested in this. The member for Windsor-Riverside (Mr. Cooke) has written to me and I believe one other honourable member from the area has written as well.

I think the honourable member who asked the question should know this is a job that has not been funded at the present time, it is in the preliminary stages and what Government Services surveyors are doing is going out and doing this preliminary work until such time as it is funded.

I think the honourable member should realize as well these five surveying firms who have written to the Essex county chapter of the

Association of Ontario Land Surveyors have, in the last three years, had 29 jobs totalling about \$40,000. Our guidelines for that are not changing. It is just in the preliminary stages and they have asked us to go in and do this. The honourable member mentioned all these crews for two months. I am not aware of that, and I am sure that would be a major project to have that many men working for that length of time.

Mr. Mancini: Is the minister not aware of the serious shortfall of work in the Essex county area for land surveyors? Does he realize the Essex county survey industry has had to reduce its total employment by a full 76 per cent, reducing its numbers from 83 to 22? In view of that, and the fact that the surveyors in the county can do the work in the immediate area at a much cheaper rate than having crews sent in from Toronto, could I have the assurance from the minister that if there is going to be a significant undertaking in the township of Colchester South he will ensure the work is done by the local surveyor industry?

Hon. Mr. Wiseman: Mr. Speaker, if the honourable member listened to my answer to the question, I said it was preliminary. There is no reason for me to believe, if it goes ahead and we get the funding for it, we will not carry on in the same manner as we have in the past. The surveyors and architects and so on are having problems all over.

But if he listened to the previous answer he would find these five surveyors who have asked for this have been successful in 29 different jobs for a total of \$40,000. He asks if we will go ahead. I have no reason to believe we will not carry on in the same manner as we have in the past.

COKE OVEN EMISSIONS

Mr. Wildman: Mr. Speaker, I have a question for the Minister of Labour. Will the proposed regulation on coke ovens under the Occupational Health and Safety Act protect only workers working in coke ovens full time, and not cover other workers who work in and around coke oven operations from time to time?

Hon. Mr. Elgie: Mr. Speaker, there was an open public meeting on the issue of the coke oven regulation about two months ago. The ministry staff are reviewing the comments that were submitted and the final draft of that coke oven emission standard has not yet been given to me for my approval, so I cannot answer the honourable member directly. If he wants me to

bring him up to date on the present status I will be pleased to find that information and contact him.

Mr. Wildman: Is the minister aware this matter was not raised at the public meeting? Does he realize the Steelworkers' Local 2251 in Sault Ste. Marie was notified in mid-November that the ministry intended to remove section 3, subsections 2 and 3, from the regulations so that there would be two laws for different workers working in the same operation?

Hon. Mr. Elgie: As I said, if the honourable member wants me to bring him up to date on the present status of that regulation I will be pleased to get in touch with him about it.

Mr. Mackenzie: Mr. Speaker, given what is happening to the standards for noise—the increase—and for lead emissions and now for coke oven emissions, are we seeing a deliberate and systematic downgrading of the few toxic substances that we finally got on the list? Is there a downgrading of the standards we are looking for in this province?

Hon. Mr. Elgie: Mr. Speaker, I do not know if the honourable member disagrees with it, but what we are seeing is an open, public, consultative process about the designation of substances within this province. This degree of openness and consultation is not happening anywhere else. The member knows very well the regulations we are reaching—

Mr. Mackenzie: We are getting worse standards than they have in the US. You are just destroying workers' protection in the province.

Mr. Speaker: Order.

3 p.m.

AUTO PARTS TECHNOLOGY CENTRE

Mr. Bradley: Mr. Speaker, I have a question for the Minister of Industry and Tourism. The government of Ontario has been considering the location of its auto parts technology centre for a number of months now. In view of the downturn in the automotive industry at the present time and the keen competition that we get from offshore, in view of the fact that the minister has indicated that an announcement is relatively near on this, in view of the fact that the Niagara Peninsula has all of the facilities and desire to have the automotive technology centre located there and has the support of the municipalities in that area, could the minister indicate when he is going to make the announcement and if he will be announcing that it is going to be in the Niagara region?

Hon. Mr. Grossman: Mr. Speaker, I am delighted to see the support for the Board of Industrial Leadership and Development program and specifically the auto parts technology centre, coming from that party after so long.

I also presume that since the honourable member wants it for the Niagara area where his riding is located, he will acknowledge the job creation aspect of the auto parts technology centre. Perhaps he will tell his colleagues about that, since every day they stand up and say BILD is not going to do anything or create any jobs.

Having established that, may I say I welcome him to the debate, since my colleague the Minister of Energy (Mr. Welch), his parliamentary assistant, the member for Lincoln (Mr. Andrewes) and the excellent member for Chatham-Kent (Mr. Watson) have all been speaking to me at length, putting forward the prospects for their communities and have played a major role in putting together the excellent presentations from all of those areas. Indeed, they were excellent.

May I say to the honourable member that one of the reasons it has taken longer than I anticipated to make this decision is because my colleagues have done such an excellent job in putting forward their presentations that it has become a very difficult job to pick one. However, we should have a decision very shortly and I know the honourable member, my three colleagues and all of the members of this House will join me in rejoicing at the selection of the ultimate site.

Mr. Bradley: In view of the fact that we have extreme difficulty in the automotive industry at the present time and that people in the Niagara region have had difficulty with unemployment and have looked to the future of the automotive industry and the fact that we have to be keenly competitive and we want to see this get under way as soon as possible; in view of those facts and in view of the representations the minister has received from other members in the peninsula in addition to myself, in view of the fact he has trotted out money across other parts of the province, in view of the fact he is giving it out anyway, is he prepared to give a commitment this afternoon that he will give it to this particular part of the province which is so deserving?

Hon. Mr. Grossman: I can assure the member that his part of the province, particularly because of the excellent work over so many years of the member for Brock (Mr. Welch), knows that this government never forgets that

part of this province. They know that our financial commitment is there. There have been grants under the employment development fund, BILD, and the Ontario Development Corporation to that part of the province. Whether the centre ends there or not, I can assure everyone in the Niagara Peninsula that they will—

Mr. Bradley: The question is, can I announce it?

Hon. Mr. Grossman: Can the member announce it? Go ahead this afternoon. It will have no relevance or credibility, but he is used to that.

Let me say if he follows my colleague's schedule for the next few weeks, it may give him a hint.

Mr. Swart: Mr. Speaker, is the minister aware that just recently Brock University indicated it had some land it would be only too glad to have used for this purpose? Is it not true that there is a real advantage in having this adjacent to a university? Would this perhaps tip the scales in seeing that this comes to the Niagara Peninsula, particularly near Brock?

Hon. Mr. Grossman: You might say that of literally all the areas in question. I can think, for example, of the Cambridge situation where my colleague has arranged with the municipality of Cambridge to make some land available in the event we build the microelectronics facility there.

I can think of all my colleagues from the Ottawa area who have arranged several alternatives for an Ottawa site as well as my colleagues from the peninsula and Chatham who have also made land available through their municipalities for the siting of these centres.

They are so sought after for the job creation they will bring to this province that the municipalities are anxious to make land available. Therefore I can answer the member quickly and shortly. Yes, we are aware of it and almost all the municipalities have made some land available.

AWARDING OF CONTRACT

Mr. Foulds: Mr. Speaker, I have a question for the Premier. Has the Premier been made aware of the formation of the save the Can-Car committee in Thunder Bay, a committee of city council? Has he been made aware of a resolution passed by that committee requesting a meeting between city council representatives, members of that committee, the Premier him-

self and cabinet ministers with regard to the decision of the Urban Transportation Development Corporation not to award the contract to Can-Car but go into a joint venture with TIW Industries? If he is aware, can he tell us when that meeting will take place?

Hon. Mr. Davis: Mr. Speaker, the distinguished member for Fort William (Mr. Hennessy) has been very much on top of this subject. I believe he has already had some discussions with the minister, the ministry and UTDC. I expect those discussions will continue.

REPORTS

STANDING COMMITTEE ON SOCIAL DEVELOPMENT

Mr. Gillies from the standing committee on social development reported the following resolutions:

That supply in the following amounts and to defray the expenses of the Ministry of Health be granted to Her Majesty for the fiscal year ending March 31, 1982:

Ministry administration program, \$45,661,000; institutional health services program, \$2,613,907,000; community health services program, \$144,114,000; health insurance program, \$1,469,550,000.

That supply in the following supplementary amount and to defray the expenses of the Ministry of Health be granted to Her Majesty for the fiscal year ending March 31, 1982:

Institutional health services program, \$-121,112,600.

Mr. Speaker: Order. Before proceeding with that, I would ask again that all honourable members refrain from private conversations in the chamber.

Mr. Gillies from the standing committee on social development presented the committee's report and moved its adoption.

Your committee begs to report the following bills without amendment:

Bill Pr24, An Act respecting the Greater Niagara General Hospital;

Bill Pr38, An Act to incorporate Emmanuel Bible College.

Your committee would recommend that the fees, less the actual cost of printing, be remitted on Bill Pr24, An Act respecting The Greater Niagara General Hospital and on Bill Pr38, An Act to incorporate Emmanuel Bible College.

Motion agreed to.

STANDING COMMITTEE ON THE ADMINISTRATION OF JUSTICE

Mr. Treleven from the standing committee on the administration of justice presented the committee's report and moved its adoption.

Your committee begs to report the following bill without amendment:

Bill Pr41, An Act to revive The Atlas Hotel Company Limited.

Motion agreed to.

Mr. Speaker: Motions.

Mr. McClellan: Pursuant to standing order 63(a), in the absence of Mr. Cassidy, I move, seconded by Mr. Foulds—

3:10 p.m.

Mr. Speaker: Order. This is not the appropriate time to move that.

Mr. McClellan: With respect, Mr. Speaker, I am submitting to the table a motion of no confidence pursuant to standing order 63. I would hope the House would give me the courtesy of giving notice orally to the House of the motion.

Mr. Speaker: No.

Mr. McClellan: It is a precedent that was—

Mr. Speaker: No, that is out of order. It is just presented to the table, with all respect.

Mr. McClellan: The precedent was established a few weeks ago by the member for York South (Mr. MacDonald). I intend to obey the Speaker's ruling, but I simply want to say on a point of order that the precedent was established of reading notices of motion when the member for York South—

Mr. Speaker: No. Order.

Mr. Stokes: It was a precedent, but a wrong one.

Mr. Speaker: Right, which just goes to prove you can be dead right as well as dead wrong—or something.

INTRODUCTION OF BILLS

GEORGE R. GARDINER MUSEUM OF CERAMIC ART ACT

Hon. Mr. Baetz: Mr. Speaker, I move, seconded by Mr. Grossman, that leave be given to introduce a bill entitled An Act to incorporate the George R. Gardiner Museum of Ceramic Art and that the same be now read the first time.

Mr. Speaker, may I make a short explanatory note? George Ryerson Gardiner of Toronto, a well-established and highly respected member

of the business and financial community, owns one of the world's most important private collections of ceramic art. This internationally acclaimed collection—

Interjections.

Mr. Speaker: Order. In introducing a bill, I have to have a copy and submit it to the House and then you make your statement afterwards.

Hon. Mr. Baetz moved, seconded by Hon. Mr. Grossman, first reading of Bill 183, An Act to incorporate the George R. Gardiner Museum of Ceramic Art.

Mr. Renwick: Mr. Speaker, you will recall the other day that I raised a question on a point of order on item (b) of standing order 32. I asked whether it is the appropriate procedure before the motion is put on the first reading of a bill for the mover of the bill, if he chooses, to exercise his right to make a brief explanation of the purpose of the bill before the motion is actually put to the chamber.

Mr. Speaker: Yes, I remember that very well and it is a permissive section, as I pointed out. I do not disagree with it. If the minister cares to make a statement at this time, prior to the question being put, he may do so.

Hon. Mr. Baetz: Mr. Speaker, George Ryerson Gardiner of Toronto, a well-established and highly respected member of the business and financial community, owns one of the world's most important private collections of ceramic art. This internationally acclaimed collection, regarded by experts as the finest in North America, consists of more than 1,000 porcelain and other ceramic objects, most of them originating in England and continental Europe between the fifteenth and eighteenth centuries. It has cost Mr. Gardiner approximately \$10 million to assemble and its current value far exceeds that amount.

Mr. Gardiner wants to make this outstanding collection available to the public. He is, therefore, undertaking to spend a minimum of \$2.5 million to build the George R. Gardiner Museum of Ceramic Art in Toronto opposite the Royal Ontario Museum. The Gardiner museum will be located on the grounds of Victoria University and is being created with the full collaboration of the university. Mr. Gardiner is also undertaking to set up an endowment fund with donations up to \$4 million if necessary to provide income for all the operations of the museum.

The government believes there is a major public benefit to be gained from having this

remarkable collection in a public place. Therefore, I am pleased to introduce this legislation to facilitate that very worthy objective.

Motion agreed to.

MOTION TO SUSPEND NORMAL BUSINESS

Mr. Smith moved, seconded by Mr. Breithaupt, pursuant to standing order 34, that the business of the House be set aside in order to debate a matter of urgent public importance, that being the imposition of two-class health care in Ontario announced outside the Legislature by the Minister of Health (Mr. Timbrell), whereby supplementary hospital insurance will become a necessity, even longer waiting periods will be imposed on ordinary citizens and user fees are to be entrenched, thus further eroding universal medicare.

Mr. Speaker: Pursuant to standing order 34, the member has up to five minutes to state his case.

Mr. Smith: Mr. Speaker, I have been in the field of medicine, going back to my university days, some 23 years or so. One of the motivating factors for me in that field has been to eliminate the two-class system of medicine that existed when I first started as a medical student.

I remember only too well the lineups to which clinic patients were subjected while those who could afford it could come to their appointments at an appointed hour. But the rest of the people, including my family, would frequently have to wait in line from 2 p.m. to be seen possibly at 4:30 or 5 p.m.

I remember when one of my very close relatives wanted to see a leading specialist in town because of a very severe condition in the inner ear. She was told that his fee happened to be high and that if she could not pay it she could damn well go to the clinic and be seen by somebody there.

I remember too well what two-class medicine meant, and I have struggled for my entire professional and political life against two-class medicine. I know something about health care delivery. I have taught the subject. I do not object at all when the minister says hospitals will be allowed to keep any leftover money from their budget. In fact, I made that recommendation six years ago. I said, "Why penalize the efficient hospitals and reward the inefficient?" I see nothing wrong with that.

But I am particularly distressed to see us revert in Ontario to a situation where hospitals

that are hard-up for money are told that if they want to get the money they need to continue operation they ought to transfer standard beds into a category of user-pay beds. To me there is not the slightest indication the transfer of beds into the semi-private and private categories is warranted as a matter of government policy at this time—except, presumably, as an effort to raise additional revenue.

Hospitals are going to be put in a position where not only are they going to have to transform ordinary standard beds into semi-private beds but they are probably also going to have to actually cut down on the number of beds. In some instances, depending on the architecture of the situation, it will not be enough just to designate certain beds as semi-private. It will be necessary to change the spatial arrangements if they want to benefit from this great opportunity provided them by the government to make additional revenue.

Lest the minister shake his head, as he is doing now, to the point where it might fall off, I might point out to him there are several hospital experts who said exactly that this very morning. Hospitals are now going to find themselves with an incentive—

Hon. Mr. Timbrell: Do you think the medical staff would let that happen?

Mr. Smith: I certainly think the medical staff will put their patients on waiting lists for elective surgery. I believe the patients will be called to be told there might be a bed for them for their cardiac bypass or whatever. I believe they will be told the bed that exists is a semi-private bed, and they will be asked if they have coverage or not?

3:20 p.m.

I believe the law will be taken to apply only to emergency cases, and I believe fully that the incentive being given to hospitals will be utilized in a way that will cause them to do a few things. First they will keep their semi-private paying patients in longer—watch, that is going to happen for sure. They will keep their semi-private patients in longer because of the additional money it is going to mean to them. Second, I believe it means ordinary citizens are going to be disadvantaged on waiting lists. I am convinced of this.

The minister seems to think the Premier did not tell a falsehood or in some way mislead the people of Ontario. The government have been playing the press like a violin. First, the Treasury says, "user fees." Then the Minister of Health

says, "user fees." Then the Premier gets a headline for saying nothing other than, "There will not be user fees." He gets on the front page of all the papers. Then along comes the minister the next day to say, "Well, they are fees paid by users, but that is not the same as a user fee." Unfortunately, by then, the great headline of our great benefactor has already been inserted in the public memory.

Free enterprise does not belong in hospitals, for goodness' sake. What choice does a customer have in a hospital? If the surgeon tells him he needs an operation, he is not going to say, "I will take the no-frills job." As a consequence of this we are heading for two-class medicine once again, something we do not have to do. It is not worth it for the small amount of money the government is going to get. I wish the minister would reconsider, and we should debate that today.

Mr. McClellan: Mr. Speaker, I rise to support wholeheartedly the motion for an emergency debate on this most critical issue today. Our health system has been under assault from the Conservative government for the last five years. There have been bed cuts since 1978 that have seriously reduced the capacity of our hospitals to provide medical services. There have been monetary constraints on our medical budgets that have seriously inhibited the capacity of our health system to care for our people, and now the government comes in with yet another body blow.

I have been expecting it ever since the minister warned on September 11 of this year he intended to impose "modest user fees." He said that in his Ottawa Kiwanis speech. There are two issues. One has been dealt with by the Leader of the Opposition. That was with respect to the establishment of two-class medicine in Ontario. We are already well along that road.

We have a huge number of doctors, particularly specialists, who have opted out in many communities across this province. We have patient streaming, which permits doctors who have opted out to stream their second-class patients into the hospitals. They are seen in the hospitals and the bills are sent directly to the Ontario health insurance plan. Now we have the proposal announced yesterday.

There are two aspects though—not just the deterioration of access and the quality of care. The second aspect, surely, has to be the cynical, cowardly and duplicitous way in which this government went about announcing its change of policy. I have never seen anything as sordid in

the course of the last six years during which I have sat in this House as the duplicity with which this government skirted around the question of imposing user fees and then brought them in disguise through the back door.

Does the minister deny these are user fees? The Premier said on Monday we would have no new user fees in our hospitals to increase revenue. Less than 48 hours later his Minister of Health repudiated the policy in the very same forum where the Premier had made the original promise. What kind of gentlemen are these? The standing orders prohibit me from saying what kind of gentlemen these are.

Mr. Smith: It did not prevent your leader from saying it.

Mr. McClellan: It needed to be said. There is nothing in the standing orders, I may say, that requires me to believe these gentlemen. I leave it at that.

The Minister of Health has announced a major change in policy and it is important we debate that change today. We will have an opportunity when our motion of no confidence is called next week to vote on that change of policy. It is a critical change. It reintroduces the notion of free enterprise into the delivery of health care in our hospitals.

The Minister of Health said in his Ontario Hospital Association speech, "We are in the business of health." He talks about emulating some private sector thinking. He talks about the bottom line. He talks about retention of net earnings. Net earnings from what? Net earnings from what commodity? Net earnings from the sale of hospital beds to sick people. Those are the profits the Minister of Health talked about on page six of his speech. He can shake his head and deny it but that is precisely what he is talking about.

He is talking about permitting our hospitals to convert standard ward beds which are covered under medical insurance to private and semi-private beds and to sell those beds to the general public for whatever the traffic will bear. There is no nice way to put it. That is precisely his policy, to sell those beds for whatever the traffic will bear or through coinsurance, if one can afford coinsurance.

The hospitals are expected to solve their deficit problems, estimated this year at \$100 million, through the sale of hospital beds to sick people. They can keep the revenue at 100 per cent. That policy is simply despicable. Any government that would undermine the principle of our medical insurance program so thor-

oughly is unworthy of the respect, not only of the people in this assembly but of anybody in this province.

Hon. Mr. Timbrell: Mr. Speaker, during the course of question period, with the questions raised by members opposite and asked of myself and the leader of the government, we addressed directly the motion which is before us. May I address myself to the Leader of the Opposition (Mr. Smith). Many of us have unpleasant memories of those days prior to the introduction of universal hospital insurance when Mr. Frost was Premier of the province and Mr. Diefenbaker was Prime Minister of the country. I have been happy for five years to have been associated with, and been a party to making that system broader, more accessible and as cost-effective as possible.

Since 1958 to the present day and into the future, every single bed in every public hospital in this province is an insured bed. I quoted during the course of question period two relevant sections of the Public Hospitals Act and the regulations under the Health Insurance Act. The law is clear, even putting aside the fact we have in our hospitals today men and women as administrators and physicians who by their practices and oaths—never mind the law; put that aside for a moment—ensure that those who need the hospital care get it.

Every bed is an insured bed. If one needs to be admitted, one will be admitted. If one does not have third party insurance and there are no standard ward beds in the hospital when one has to be admitted, one will be admitted in the future as in the past to whichever bed is available. If one does not have third party coverage one does not pay. The member knows that to be the case.

I submit we have answered this motion in the course of question period today. What is more, it would appear if there is to be a no-confidence debate a week from now, we will have an opportunity to debate it even further. In that case I would submit, Mr. Speaker, this motion is not appropriate today. There will be further opportunities during the course of the no-confidence debate.

But should you find it is appropriate, we will be pleased to put the facts on the record yet again, to show that this system is not being eroded, this system is not being turned back. We will show this system is being made more cost-effective to do that for which it was

intended—to supply as much to the patients of this province in terms of health services as the health ministry budget can buy.

3:30 p.m.

Mr. Speaker: I have been listening carefully and with great interest to this debate and I do find the motion in order. It is, indeed, of public importance, and therefore I shall put the question to the House. Shall the debate proceed?

Motion agreed to.

HOSPITAL SERVICES

Mr. Smith: Mr. Speaker, I have already alluded to my major concern about this change in policy on the part of the government, the idea that we are moving backwards to the shades of the 1950s, moving backwards towards two-class medicine. The Minister of Health seems to feel, however, that although he has told the hospitals they can gain and keep a lot of revenue out of reclassifying beds for semi-private patients, and out of removing the ceiling on what can be charged for those beds, that will not affect people at all.

He seems to feel that people who cannot afford insurance, people who cannot afford to pay these fees, will none the less, somehow or other, be admitted to those beds, even though that may mean a loss of enormous revenues to hospitals that are hard-pressed for money. He is simply not being realistic, if he honestly believes what he is saying. I have to assume he is being honest with himself, even if not entirely with us at all times. If he really believes hospitals operate that way he does not know very much about how they operate.

There will be a tremendous incentive on the part of the hospitals to make sure these newly classified beds are doing the job they are intended to do, that is, to bring in revenue. Why would the hospitals go through the difficulty of classifying the beds, if they then are going to sit there and not bring in the revenue, especially now that the enormous amount of revenue this will generate becomes so important to the hospitals, and government has stated it is not going to meet the funding needs of hospitals as they might otherwise hope? It seems to me we are going to find that hospitals that go to the trouble of reclassifying beds are going to expect to get additional revenue from those beds. That means, very simply, that people are going to have to buy insurance they do not now require, if they hope to be able to get into the majority of these beds.

If they do not buy insurance, if the minister is saying to the people of Ontario: "Don't bother buying insurance. It does not matter. You will get in equally to any bed, of any kind. It is just a lottery. It just depends on what bed is available when you happen to come along. Do not bother to buy insurance. You will not be charged," then the minister should come out and state that openly. In that case everybody will get rid of insurance if they honestly believe it will be of no advantage at all to them in getting into these newly classified beds. If they ought not to have insurance, then the minister should say so.

Then what is going to happen? If I go in without insurance and somebody looks at my annual income and decides I can pay, am I going to have to pay? Or is the mere fact that I do not have insurance coverage going to be sufficient to prevent me from having to pay? I expect I would have to pay. Would the minister agree with that?

Under those circumstances then we have to have a means test. What we are going to find, more and more, is that hospitals are going to be in a position where more beds have become private beds, more people are subjected to means tests, more people have to have insurance, more—

Interjection.

Mr. Smith: Are they going to have to pay the semi-private rate if they are in a semi-private room? If they are not going to pay it, on what criterion will they not pay it? If they are not covered it is one thing; otherwise it is a means test. Let us be honest. Let us not kid around.

Hon. Mr. Timbrell: Never let the facts get in the way.

Mr. Smith: Do not be stupid. Do not be ridiculous. If a patient is sitting in a semi-private bed he is going to be charged a lot of dough. He is either going to pay it or not. If he is covered by insurance, the insurance will pay. If not, is he going to be able to get away without paying it? Even if he is rich? Would the minister answer that question?

Hon. Mr. Timbrell: I did.

Mr. Smith: What is the answer? Yes?

Hon. Mr. Timbrell: I did answer it in question period.

Mr. Speaker: Mr. Smith, will you proceed with your speech, please?

Interjections.

Mr. Speaker: Order. Address your remarks to me.

Mr. Smith: Mr. Speaker, either there will be means tests or else people will abandon their insurance as being of no value. It is one or the other.

Furthermore, there is the way in which this government has gone about this situation, allegedly because there is no money for health. But I ask you, Mr. Speaker, to consider—

Hon. Mr. Timbrell: Mr. Speaker, on a point of order.

Mr. Smith: I am not going to let the minister stand up now. I am sorry. He would not answer my question.

Interjections.

The Deputy Speaker: I recognize the Minister of Health on a point of order.

Mr. McClellan: There is nothing out of order. Sit down and wait your turn.

The Deputy Speaker: I have recognized the Minister of Health on a point of order, and I have the floor.

Mr. Smith: There is nothing out of order.

The Deputy Speaker: I have not heard the point yet.

Hon. Mr. Timbrell: Mr. Speaker, on a point of order: The honourable member, with respect, continues to ignore the fact that the government has put \$651 million more—

The Deputy Speaker: What is your point of order?

Hon. Mr. Timbrell: —into the hospitals in the last two years. He cannot ignore that.

The Deputy Speaker: All right. The minister will have a chance to respond.

Mr. Smith: That is not a point of order. I hope you recognize that, Mr. Speaker.

The fact is the minister wants to introduce free enterprise into the hospital system. He is going to fight the battle for health in the parking lots of the hospitals of the province. Surely he cannot be serious about this. It is all very well to suggest that parking fees go up or some other nickels and dimes be obtained. Why he would want to charge people who come to visit their sick relatives more money I cannot imagine.

But let us imagine that he thinks this is going to produce a lot of revenue. I doubt it, but let us say that he goes ahead and does it and this is his great new free enterprise thrust. Surely he recognizes that free enterprise has nothing to do with obtaining hospital beds. Surely he recognizes that free enterprise should not be brought into health care itself.

What kind of free enterprise system is it where a customer is told by his doctor that he needs an operation? Can he shop around elsewhere? If the doctor happens to be certified and accredited at a certain hospital and that is the only place he can do the operation is the patient supposed to say: "No, I am sorry. That hospital is too expensive. I am going to shop around for a cheaper hospital." Is that what the minister really wants to see in Ontario? Does that make sense?

If the doctor is offering an operation is the patient supposed to say: "I will take the no-frills operation. I do not want the leading kind of nylon or catgut; I will take the ordinary stuff, which may not have a lifetime guarantee but will at least do me for a couple of years," the way you buy batteries at Canadian Tire?

Can the minister honestly imagine that free enterprise has the slightest place in the hospitals of Ontario? How can he be so ridiculous as to want to go back to a system where the person who is buying it is not a customer with a free choice? The free enterprise system is not the system that is involved when you need an operation; it is closer to dealing with the godfather: they make you an offer you cannot refuse.

You do not have a choice, Mr. Speaker. You go in and have the operation and pray to God you are going to recover. You do not have the choice to start shopping for other doctors who might have fancier scalpels or better advertising or charge less money for their hospital beds.

Hon. Mr. Timbrell: Nobody is talking about that.

Mr. Smith: That is what the minister is talking about. Look at what he said the other day. He said, "Let us call deficits for what they are: overspending." Gee, the Treasurer of Ontario (Mr. F. S. Miller) does not call them that. He calls them a net cash requirement; he does not call them overspending.

Let us call hospital deficits for what they are: underfunding by the niggardly government of the Premier (Mr. Davis), which over the years—

Hon. Mr. Timbrell: Thirty per cent increase in two years is niggardly?

Mr. Smith: Sure, the last two years they funded them properly around election time. Yes, the last two years we know about. But what about the five years before that? The government funded them under the rate of inflation year after year, and now they want the patients,

and the people who park their cars while visiting the patients, to pay for it. That is who has to pay for it now.

If I had not had those Suncor experts in my caucus room this morning I might be a little less incensed about this. But to go to the patients of Ontario and tell them we are going to move back towards two-class medicare when in fact the entire \$100 million is simply the interest alone on the stupid Suncor deal, during which we have to pray that we strike oil somewhere, and when in fact that \$100 million is available and the government can get it by just not signing this ridiculous deal.

It seems to me at this point there is reason for people to be angry. Why should the patients of Ontario have to pay for the government to buy the Suncor shares? That is exactly what is happening—and do not think that people are too stupid to understand that. They will understand it.

3:40 p.m.

The minister goes on to say these are not really user fees. The leader of the New Democratic Party was thrown out of the House for saying the Premier lied. Mr. Cassidy was 100 per cent correct. In point of fact—

Hon. Mr. Timbrell: You can go too.

Mr. Smith: I will go when I am finished and when I feel like going. The minister will not tell me when I can go. But I will say this—

Hon. Mr. Bernier: In February you will be gone forever.

The Acting Speaker (Mr. Cousens): Order.

Mr. Smith: They say these fees are not user fees. When they are fees to be paid by users, what in heaven's name are they if they are not user fees? The people who are using hospitals either have to pay it directly or via their insurance premiums. It is one or the other. He says they are not new user fees. Of course they are new fees. They did not exist the day before yesterday. They now exist. They are new user fees. What the hell else are they? He should not think he can play games with the English language and get away with that.

Unfortunately, the Premier did get his big headlines in the Star as being against user fees. I only hope the same readers now see the duplicity with which this government has dealt with the people. I only wish that before March 19 the government had told the people they intended to go into a crazy scheme of buying an oil company, where if they are lucky they will

break even by the end of the century, and that they intended to introduce user fees on the patients of Ontario.

The Acting Speaker: The honourable member's time has elapsed. The member has used his allocation of time that was allowed. Thank you.

Mr. McClellan: Mr. Speaker, I am beginning to understand why the government's slogan during the election was, "Keep the promise." It was kind of like a practising alcoholic saying: "Don't drink, don't drink."

The government stands as naked on this issue as on anything I have ever seen. The promise delivered at the Ontario Hospital Association lasted barely 48 hours. The Minister of Health's commitments to the standing committee on social development lasted less than a day. Yet the government sits there confident, smug, arrogant and totally duplicitous with respect to this issue.

I think it is important during this debate to try to set out a little bit of the background leading up to this change of policy that was announced on Wednesday. One of the things the government has been saying is that there are no cutbacks in the number of hospital beds, and that, in fact, the government has increased the overall number of hospital beds across Ontario.

In case the Minister of Health wants to deny that he ever said that, I refer to Hansard of June 18, 1981, where the minister said: "Let me take the member back to February 7, 1978." He went on to describe the new policy that would impose acute care guidelines of 3.5 beds per 1,000 in the southern part of Ontario and four beds per 1,000 in northern Ontario.

Then he said, and I have underlined this: "As a result of this process, the total number of beds dedicated to health care has gone up." Then he goes on to criticize my leader as follows: "He has not acknowledged that in the course of this period"—that is from February 1978 to June 1981—"the total number of beds in the system has gone up."

Then we have the figures that the Ministry of Health finally submitted to the social development committee on Monday or Tuesday of this week. Lo and behold, we find the total number of beds from March 31, 1978, to August 1981 has actually declined by the number of 208. During this period of time—

Hon. Mr. Timbrell: What the member is saying is not true.

Mr. McClellan: The minister will have his chance to speak if he will just hold his tongue for

a few more minutes. I can count and I can count the minister's figures and I can count the figures of the Ministry of Community and Social Services just as well as the minister can.

The total number of hospital beds in Ontario has declined by 208. The number of acute care beds that the minister has excised from the system since December 1978 is 2,405. Nobody is surprised to see overcrowding in our hospital corridors, to see elective surgery postponed or to see crisis after crisis described in the province's newspapers from one end of Ontario to the other.

It is a result of this government's stupid constraint program which has led to a cutback in the absolute number of hospital beds and to a staggering cutback of—I misspoke myself. Let me correct that—2,488 active treatment beds. The net loss, as I say, in the last two years is 208 beds.

In September, the Minister of Health was boasting he had established 6,800 new chronic and extended care beds. This week he conceded that figure was wrong. The minister likes to play games with the number of beds in Ontario just as the Premier likes to play games with respect to this province's health care policy.

The Premier said on Monday, and let me again read his exact words from page 13 of his speech, "For the present, despite press reports, we have rejected new user fees for hospitals as a revenue producing step."

I can read that forwards, backwards and sideways. What it says is, "We have rejected new user fees for hospitals as a revenue producing step." Forty-eight hours later that policy was repudiated by the Minister of Health, as I said a moment ago, in precisely the same forum, the Ontario Hospital Association's convention.

The Minister of Health instructed the hospitals through their trustees and administrators to solve their deficit problems by raising money through the sale of hospital beds. He made that possible by lifting the ceiling on private and semi-private beds, by lifting the restriction and permitting hospitals for the first time to convert standard ward beds to private and semi-private beds.

I am trying to make the point this has not been done in a vacuum. It is done within the context of bed cuts, particularly of active treatment beds, and it is done within the context of a budget freeze which has kept the growth of the health dollar's purchasing power below the rate of inflation. The growth in the health budget sounds impressive. That 68 per cent figure is

very impressive until one remembers that as of this month the consumer price index has increased 66.9 per cent. The minister knows as well as anybody else that by the end of fiscal 1981-82 it will have exceeded the minister's 68 per cent figure.

We have a situation of crisis now compounded by the new policy. We can anticipate with absolute clarity the effects of the new policy. First, there is the philosophical distastefulness of the policy. We have now enshrined one level of care for the poor under medicare and another level for the affluent under the minister's new policy of free enterprise beds, sold at the going market rate by our hospitals to raise essential operating revenue.

There are all kinds of interesting speculations as to how the price of a hospital bed is going to get set now that the minister seems to have washed his hands. Are they going to tie beds to the rate of motel and hotel beds in a given community? Do they intend to have discount days? Will there be bargain prices on holiday weekends? Do they have special rates for children under 12? How do they intend to let the market settle the price of a hospital bed now that the minister has embraced the principles of the free market, the business world and the profit sector for our hospitals?

3:50 p.m.

I hope the minister will tell us when he speaks how he expects the market mechanism to work as it relates to the price of private and semi-private beds. How many standard ward beds will be alienated from their present uses under medicare to the new for-sale category of beds? He says 52 per cent of our hospital beds are dedicated to medicare coverage. How many does he anticipate will be alienated?

It is more upsetting than I can communicate to see the development of more and more class orientation, class bias in our medicare system. Medicare is increasingly becoming a charity service available for poor, low and middle income people, those who cannot afford to pay either the per diems under the new for-sale categories or for private insurance, or co-insurance, whatever one wants to call it. The result is a destruction of universal medicare as we have come to know it over the course of the past 15 years. There is no other way to describe the significance of this policy change. It is a signal of the end of universal medicare.

Hon. Mr. Timbrell: Mr. Speaker, I welcome the opportunity, during the brief time allotted,

to elaborate on the new policies I outlined to the annual meeting of the Ontario Hospital Association yesterday. Let me begin by saying we on this side of the House believe Ontario's health care system is one of the best, if not the best, in the world. Our goal in introducing these new policies is to improve it even further. This goal will be achieved through the introduction of the very practical and innovative shifts in direction we are initiating.

I understand, and I have heard it here today, that some, although not all, of the members opposite claim to be aghast at my statement that we need a larger measure of private sector thinking across the public sector today. While I will not in such a brief time argue philosophy with them today, let me simply say that by emulating some of the principles that have served Canadian society so well, we can indeed have an even better health system.

I am not talking about some form of reprivatization of our system or turning the clock back 30 years. I am talking about employing tried and true management techniques to ensure that tax dollars are used in the most effective manner possible. This new approach will tap the dynamic spirit of local initiative that has impelled our progress in the provision of health services for decades. Now it will fuel a drive for improved health care.

The system I spoke of yesterday has four elements: (1) retention of net earnings by hospitals; (2) new opportunities for hospitals to maximize revenues; (3) strategies for minimizing expenditures; and (4) an end to hospital deficits. Hospitals will now be permitted to retain any surplus revenues over their expenditures for use within hospital operations, for new programs, for new equipment, for capital projects or for other purposes—in short, for enhanced patient care.

Some members have referred to this as the profit motive. I have not used the word "profit." When one uses the word "profit" one envisages a business operation where at the end of the year, if the operation is in the black, somebody takes that money and puts it in his own pocket. What we are talking about is encouraging the hospitals to find every possible way to provide services in the most cost effective way so that, if indeed they do and should end the year with a surplus, that money can then be ploughed right back into the system for patient services, which is, after all, what it is all about.

Mr. Smith: You will probably penalize them for it in next year's budget.

Hon. Mr. Timbrell: As a matter of fact, that was the one thing we guaranteed we would not do.

Hospital managers in the past have had no such incentive to underspend their budgets. Indeed the member for Hamilton West, as a representative of the Ontario Hospital Association, has on occasion urged this change of policy, so I am sure that is one aspect he and they wholeheartedly endorse, because this situation is going to change.

As a second component of the new approach, the government will expand the revenue sources open to the hospitals. For example, the rates hospitals may charge for private and semi-private accommodation will no longer be strictly controlled. Hospitals will be able to set their own prices for preferred accommodation based on their local conditions. Furthermore, with the approval of the ministry, they will have the flexibility to raise the proportion of preferred accommodation of their beds.

I want to re-emphasize here that this change in no way imperils access to standard ward hospital beds.

Mr. Smith: There just might not be any.

Mr. Foulds: That's right.

Hon. Mr. Timbrell: That is not right. If an individual needs a private or semi-private room for a medical condition, that room will continue to be provided, as in the past, at the standard ward rate.

Let me reiterate that every single bed in the Ontario hospital system is an insured bed. In these more relaxed surroundings than during question period, I want to quote again the two very relevant parts of the law of Ontario that pertain to this situation and which I submit, to members on all sides and to the public, should answer the concerns which have been raised. First, quoting from the regulations of the Health Insurance Act, section 37:

"Subject to section 39(a), the inpatient services to which an insured person is entitled without charge, other than the prescribed premium, are all of the following services: (1) accommodation and meals at the standard or public ward level."

Related to that, enforcing and reinforcing that, I quote from section 17 of the Public Hospitals Act, which states:

"Where, (a) a person has been admitted to a hospital by a physician pursuant to the regulations; and (b) such person requires the level or

type of hospital care for which the hospital is approved by the regulations, the hospital shall accept such person as a patient."

I repeat that every hospital bed in this province is an insured bed. No one will be denied access for lack of co-insurance for preferred accommodation.

Mr. Smith: Oh nonsense, they'll be on waiting lists and you know it.

Hon. Mr. Timbrell: If that was going to happen it would have been happening since 1950.

Mr. Smith: No, because the incentive is immediate now.

Hon. Mr. Timbrell: If the member looks at the facts and figures I gave him today, I submit to him that if that was going to happen it would have happened before now. It has not happened. It is not going to happen because of the way our physicians—

Mr. Smith: It will happen. Mark my words.

Hon. Mr. Timbrell: —and our hospital administrators run our hospitals. It is not going to happen because of the law. What is more, if the member is right, if somebody should try to do it, we will collectively come down on them like the hammers of hell and enforce the law.

I submit to the honourable member that is not going to be necessary because the kind of practices which the honourable members opposite have suggested will occur are not going to occur. If they were going to occur, they would have happened in the last 23 years and they have not.

We think these new policies of the retention of earnings and opening up of new avenues for revenue will create major new opportunities for hospital managers to maximize revenues to spend on improved health care. That is the whole point of the exercise. Many hospitals have shown entrepreneurship in ancillary service areas and many new ideas will occur to the innovative administrator and boards. I am sure many patients will welcome new amenities to make their hospital stays even more pleasant. That to me is a significant point.

Given that our goal is continued high quality care, I think these changes can and will lead to both better service and to better programs; in short, to better care.

As a third initiative, the minister will promote strategies for raising productivity in the institutional sector, which will help hospitals to control their costs and to generate earnings

which can be fully retained. This is not the case in the way the ministry has supervised the budgets of hospitals now and in the past.

The most significant aspect of this new plan falls in this category and it has been somewhat overlooked by the media and so I want to make it clear to my colleagues in the House. Put simply, rationalization of services among hospitals will now take a quantum leap forward since hospitals can retain the savings to use on better health programs. As members know, we have promoted, and I believe with the support of both parties opposite, the elimination of unnecessary duplications in the health system by encouraging, for example, the amalgamation of two nearby and underused obstetrical units.

4 p.m.

The result has been better programs and savings, but the incentive was not there in the past for hospitals to aggressively pursue this avenue since quite often, if not usually, savings were shared, if not taken back entirely by the ministry. That has changed. We will see increased sharing of services and pooling of resources with the savings channelled fully into new and improved health services by the hospitals involved.

I will stop here and tell the honourable members of an encounter yesterday, where the administrators of two hospitals in a town in northern Ontario came up to my assistant deputy minister and said: "Look, you know we have talked from time to time about the possibilities of merger and rationalization of our hospitals. With this change of policy, we see that is something we can do because we will save between \$1 million and \$3 million a year."

Mr. Smith: This is free enterprise. You certainly do not want to merge them. You want competition. This sounds mandatory, but you like free enterprise.

Hon. Mr. Timbrell: You are not interested in that, apparently. Let me tell you, Mr. Speaker. You appear to be interested.

These administrators said that by merging and rationalizing services in that town, maintaining all existing services and, in fact, improving them, they could save between \$1 million and \$3 million a year which, under this new policy, they will keep right to the last red cent, and all of which will be ploughed back into new, improved regional health services in that northern Ontario city. That is our first tangible evidence, only hours after my speech, that it is going to work. The taxpayers—

The Acting Speaker: The honourable member has exhausted the time available for his presentation.

Mr. Van Horne: Mr. Speaker, I would lean on your last few words in which you indicated the honourable member had exhausted his time. I would like to add he has exhausted our patience, and I can use that word in both meanings.

The minister, my leader and also the critic for the New Democrats have all indicated the health system in Ontario has developed over the last decade or two into something of which we can be proud. We are not quarrelling with that today. What we are submitting is that this new plan of the minister is going to take the health care system in Ontario back to where it was about 1950 or 1960 and we do not want to see that happen.

That is why the debate is on today. That is the point we are trying to make. The minister has mentioned the use of management techniques by the various hospital administrators, techniques which he is submitting in this proposal have the objectives basically of the retention of net earnings by hospitals, new opportunities for hospitals to maximize revenues, strategy for minimizing expenditures and an end to hospital deficits.

These are the four elements he refers to. If one sits and analyses these words and these four points, when one compares the possible result of trying to address these four points with whatever management techniques this government has been able to display over the last few decades, I would submit the hospital administrators are going to be hard pressed to improve their lot very much.

We do not know, for example, what the net saving of the program will be. During the the past day, the parties on this side of the House have been trying to assess what dollar figure might come into play. The figure of a possible \$20 million to \$30 million possible saving has come up from some of our research people. When one compares that to what we know is the possible outside number of a \$100 million deficit, we have to submit that attempt does not really put even a dent in the deficit situation the hospitals are facing.

So the wonderful management techniques of the government surely cannot be an example for our hospital administrators. What they are left with is the avenue, to quote the minister's words again, of getting into such things as jacking up the prices for the rates they have for their semi-private and private beds or jacking up the price of a parking space.

My leader referred to that, wondering how benevolent the minister shows himself to be by charging an extra tariff on someone going to visit a friend or relative in the hospital. Even with nickel-and-diming through parking fees and through putting up the price of food in the cafeteria or making the hospital laundry available for Sally the Vampire's Motel down the street, or whatever other business might want to come and share the hospital facility, even such nickel-and-dime management as the minister is suggesting will not help our hospitals.

I am really dismayed at this retrograde step. The Ontario health care system is based on a foundation of universal availability. When one takes the opportunity to assess what the government is bringing in, one would have to say that cornerstone, that foundation, will be damaged severely, and only time will tell. That is the prediction I would make and that my colleagues are making. That foundation will have a huge crack in it.

I made reference earlier to going back to where we were 10 or 15 years ago. We made some calls this morning and talked with various people in the consulting business as it relates to hospitals. One of the persons we talked to gave us this example. Ten years ago, the old Mount Sinai Hospital had its tenth floor reserved for private patients. Interns were not allowed on that floor nor were teaching staff. It was run like a hotel. People we talked to this morning pointed out there were other situations in hospitals in other parts of Toronto, let alone other parts of Ontario. Reference was made to similar floors reserved totally for private patients at St. Michael's, the Wellesley and Women's College hospitals, to name only a few.

What we fear, the reason for us being here to debate this issue now, is that the hospitals will be encouraged by this government's action to revert to that, and we do not want to see it. The minister can stand all day long and quote the law to assure us and anyone else who might care to listen that beds will be available. Sure, they will be available. Where? On a cot in the hall? The minister can shake his head about the cot in the hall. My oldest daughter, when she had her appendix out a couple of years back, spent the first day and a half on a cot in the hall.

I have another question to ask the minister. We have heard about the ratio of beds to citizens in a community. We know the minister and his colleagues have a determination to see the ratio be 3.5 beds per 1,000. We know a lot of hospitals have objected to that, and a lot of them

say it is virtually impossible for them to live within that kind of ratio. I submit what the minister is proposing now will encourage hospitals to get into that situation of 3.5 per 1,000.

I see other problems. I see the problem of the poor getting poorer. We have no idea of the exact number of people who are without insurance or without the ability to pay extra, but we understand it is somewhere in the neighbourhood of a quarter of our population.

4:10 p.m.

With that quarter of our population, those who do not have any way of being covered for semi-private or private, our understanding is that the vast majority of those people will not be able to afford to go out and buy additional insurance to get any extra coverage. What we have, again, is a case of the poor getting poorer.

I do not think there is any need to dwell on that. I think we have to get away from that for just a moment and take a look at what the government really is doing. I would submit to the minister that he had the opportunity to announce this during this last two weeks, during which time the estimates of the Ministry of Health were considered, that process wherein we review not only the moneys the minister spends but the policies he has.

We talked, each of us on the opposition side, about the sorry situation in which hospitals find themselves. We talked about hospital deficits. We received assurances from the minister and the Premier we would not see a user fee. He said he would not sneak it in, and yet he announces this rather major change in direction at a meeting outside of this chamber, at a meeting of the hospital association people.

He can call it not sneaking but I submit it is almost like the attack on Pearl Harbour. The only thing wrong is that his timing is off by a couple of days. This is a retrograde step. We are upset with it. I doubt whether our words today will have any bearing on changing his determination, but I want to finish my statement by saying I want the minister to be very sure that what he is doing is setting health care in Ontario back to where it was 20 years ago.

Mr. R. F. Johnston: Mr. Speaker, in the other leadership contest that has yet to be announced—for the Tory leadership—it is well known that the Minister of Health is one of the prospective candidates. This is one heck of a way to launch his bid for the Premiership, by destroying the health system in Ontario as he goes along.

Hon. Mr. Timbrell: That is a little overstated.

Mr. R. F. Johnston: It is not an overstatement at all. Look at what we have in Ontario. Medicare, a concept which is supposed to be giving universal access to medical health facilities for people in this province, has been totally eroded.

Mr. Boudria: It was invented by the Liberals.

Mr. R. F. Johnston: That is a great distortion, as the member for Prescott-Russell (Mr. Boudria) knows. It started because of the great work of Tommy Douglas in Saskatchewan.

We in this province are one of only three provinces to have premiums—an extra tax on people which is unfair to those with less income. We now have chronic care copayment—and before the minister leaps up to say we supported him on that, we did not, and he should not distort the issue. That makes it possible for senior citizens to lose their homes because they have to pay for their partner's stay in chronic care facilities. We have doctors who not only can get 14 per cent increases, but then can also opt out and charge 40 to 60 per cent more, and therefore in many communities force people not to have access to them—a double standard.

We have extra charges all over the place. What we have is a total lack of public responsibility by this government and an attempt to turn it back on to the people of the province to pick up their lack of responsibility.

I would remind members of what the Minister of Education (Miss Stephenson) says about the cutbacks in education, if I can draw a parallel, at the post-secondary education level. She does not take responsibility for the underfunding there. She says the alumni should pay. Why did the minister not consider a levy on ex-patients? Is that not a good idea? Why do we not get ex-patients to pay a certain amount a year in return for the fine care they received in our health care system? Why did he neglect that? The rest of all the things he has here are not the concern of a minister of health care. They are a minister of accounting's concern. They are Reaganistic, they are Neanderthal, they are a throwback to another age. I guess that is what his leadership bid for the Tory Party will be all about.

What we have is a major introduction of free enterprise into the health business. It began in the nursing home field: the feeling that we can deal with our elderly by making them the victims of people who want to make a profit out of health care. Now we are moving into a business orientation in how we should run our hospitals. We run into concepts like maximizing

revenues, minimizing expenditures, retention of net earnings, cost effectiveness and hospitals that show entrepreneurship. That is the tone of the minister's statement. My God, it is an accountant's dream; it is an accountant's approach to health care. It has nothing to do with caring and it has nothing to do with health. The minister should be ashamed of it.

First the Premier says, 48 hours before the minister spoke, there would be no new user fees for hospitals as a revenue-producing step. Then the minister explains how our hospitals can maximize revenues by imposing this new fee for service, this new user fee. And we have to admit it is new; we have not had this before. Certainly there was a cost for private and semi-private care that was over and above that which was insured by the public system; we all admit that is the case.

But hospitals have never had the option of deciding how many beds they would be able to devote to private and semi-private care. Hospitals in this province have never had the wonderful open-ended mandate to raise it as high as the market will bear. And the incentive to raise it as high as the market will bear is obvious: The minister's statement says 100 per cent of anything over the amount now shared by the province and the hospitals in terms of private and semi-private care may be retained by the hospital. My God, why not just go for the ceiling? Why not go for as much as one can get out of people? Surely that is what this is doing. Surely that is what this new user fee is all about.

The notion now is that somehow we can move away from the past policy of a 50 per cent guarantee of ward spaces. Now they are saying, "Oh, you hospitals, it is up to you to make the decisions on that, and as long as we do not get too much flak there will be no problems at all." Even if they do get flak the minister has given us no indication of how he is going to step down with the hammer of hell, or whatever it was he indicated he would be willing to do.

This whole approach of maximizing revenues is becoming the major thrust for hospitals. But that should not be the major thrust for hospitals. Good care is what the major thrust for hospitals should be, not maximizing revenues, not figuring out what extra fees they can charge people to get more revenues.

I have questions for the minister. I do not know why he decided to speak first. I wish he had spoken last to answer some of them. Just how many beds is the minister going to allow a hospital to convert to semi-private and private

care? What percentage will be his cutoff? How is he going to determine when hospitals have gone too far? How high a cost is he going to find unacceptable? How high a cost must there be before he says, "This is absolutely unfair"?

Is it all going to be based on what the market will bear? Is he just going to let it go until there are enough complaints because they do not seem to be able to fill their beds? Is this going to have an effect on the total number of beds in hospitals? Is there going to be any reason for hospitals that get rid of a certain number of ward beds in order to create private and semi-private beds to add extra ward beds? When they take over a ward, obviously, they are going to lose beds in the process.

4:20 p.m.

It is not likely that we have a plethora of hospital beds in the province that are sitting there empty at this moment. My honourable colleague from Bellwoods (Mr. McClellan) has pointed out that in the wonderful juggling of statistics the Minister of Health has been doing in the last number of years about hospital beds, there are actually 208 fewer hospital beds.

Hon. Mr. Timbrell: As of when?

Mr. R. F. Johnston: This year.

Mr. McClellan: From 1978 to 1981.

Hon. Mr. Timbrell: When in 1981?

Mr. McClellan: August 31.

Hon. Mr. Timbrell: No, wrong.

Mr. McClellan: I am not wrong.

Hon. Mr. Timbrell: You are.

Mr. R. F. Johnston: Oh my God. There we go. This is exactly what we run into with him. This dickering around with figures. We get triple announcements of beds that are going in. We have essentially 2,000 fewer acute-care beds. We already have problems with ward space now and he is going to get rid of more.

Do we not have problems in terms of people sleeping in the hallways? No? Oh, I am surprised. That is not the information I get from people in my constituency. Do we not have long delays in terms of getting elective surgery? No? Oh no, there is no problem getting elective surgery in Metropolitan Toronto now is there. A person in my riding has been waiting for three months. That is going to get worse because of this—the minister knows it is. It just has to.

What about the elderly people who need a cataract operation or some other kind of operation which is not an emergency, and they are not in some kind of a group plan which gives

them semi-private care? Their doctor is not going to send them into the hospital. Their doctor is going to tell them to wait for a nice space. That is very clear.

The Deputy Speaker: One minute.

Mr. R. F. Johnston: My leader, before he was thrown out for telling the truth, pointed out there are classes of people and there are going to be whole towns like Windsor with huge welfare rates to which this system is just going to be totally impossible. It will be a field day for private insurers. Unionists will have to carry extra costs for their plans, or if they are not going to have to carry extra costs, they are going to have to bargain it somehow and lose it on their wages.

Or, they are going to have to take the minister's advice and say: "Why bother to take it out at all, because I can get a space any time I want," if we are to believe the minister. It is just total garbage.

What we have is the beginning of a two-class system for health care. This is the broad edge of the wedge being shoved into the people of Ontario.

The Deputy Speaker: Time.

Mr. R. F. Johnston: Mr. Speaker, to sum up. This minister is destroying the health care system. This minister should go no farther than his present position. He should not be running for the leadership of his party; he should be resigning his post in shame.

Mr. Jones: Mr. Speaker, listening to the contributions made on the government's initiatives in hospital care I feel an important point needs to be added to this mix. I am referring to the wider context of the federal-provincial fiscal arrangements.

We have all had an opportunity by now to review the main parts of the MacEachen budget address of November 12. If members do not think it relates to this they are sadly not aware of how economics work as they flow to the health care system of this province and the other provinces.

It seems to me—

Mr. Grande: Do you remember 1976?

Mr. Mackenzie: The disgrace to this House.

Mr. Grande: Do you remember that, 1976?

Mr. Jones: You bet I do.

The Deputy Speaker: Order. The member for Mississauga North has the floor.

Mr. Jones: It is quite clear our Treasurer (Mr. F. S. Miller) was accurate in his description of

federal cutbacks to the provinces when he described them as unreasonable and unfair. As a consequence of the federal proposals we heard on November 12 Ontario will lose more than \$250 million in the 1982-83 year and this will rise to almost \$500 million during the 1986-87 year, a total loss to this province that will amount to almost \$1.2 billion over that period.

On top of those financial constraints imposed by Ottawa, the federal Minister of Health and Welfare has also indicated an intention to inflict undefined terms and conditions on health programs after Mr. MacEachen has had his cuts. So it becomes very clear to me that the greatest threat to preserving the health care system intact in this province is Ottawa itself.

But we in Ontario are not without alternatives and many of them are unattractive to us and to the taxpaying citizens of this province. Again, however, it was the Treasurer who pointed out some of the defences we have against an uncertain future are innovation, creativity, research, discovery, competition and enterprise. The Minister of Health's announcements of yesterday are all of those things. But I will return to that in a moment.

First I think it is important for us to review the background to the imaginative steps that have been taken by the Ministry of Health yesterday. Traditionally, there has been a long period of federal-provincial negotiations leading up to a revised fiscal arrangement. The reason for these lengthy discussions is the extreme importance of federal transfers in provincial budgets. They take up almost 50 per cent of the budget revenue in some provinces.

The largest of these transfers and the one which concerns us is the established program funding, or EPF, enacted in 1977. Before EPF, as a point of history and vital to the debate today, the federal and provincial governments participated in three separate cost-sharing agreements for hospital insurance, medicare, and post-secondary education.

Each of these three began as an open-ended agreement from the federal government to match about 50 per cent of provincial costs. But you will recall there was a problem. Costs went up and that escalation alarmed the federal government. We saw ceilings on contributions, first in post-secondary education and then on medicare. That ceiling on medicare was quite severe.

Undoubtedly ceilings would have been placed on hospital insurance too, except that existing

legislation prevented that action. To overcome that legislation Ottawa gave the required five-year notice to terminate this agreement. The provinces did not think much of these pre-EPF agreements either. And here we are seeing the signal that at the end of the five years they are not necessarily going to be renewed.

Those federal ceilings on the two agreements were artificial and crude, and the provinces were not free to design the range of health care services and education programs they wanted because of the narrow range of things Ottawa agreed to help finance. For instance, Ottawa would not share the costs of nursing home care and other lower-cost alternatives to hospital care. All the problems resulted in negotiations in 1976 that converted these three cost-sharing programs to the block funding arrangements of EPF or established program funding.

From the beginning, EPF was hailed as a giant step forward. It clarified and untangled the responsibilities of the two levels of government. It represented a long-term arrangement that fulfilled the major federal objectives of tying provincial transfers to previous growth of the economy which made their transfer outlays more predictable. It provided equal per capita transfers to all provinces.

As far as the provinces were concerned, EPF offered flexibility so we could determine our own spending priorities and direction of our health care services. When one gets a little, one has to give a little. It was clearly understood that this new EPF arrangement passed considerable fiscal risk on to the provinces. When this arrangement was established in 1977 the federal government said it was to offer a greater degree of permanence and stability to health as well as to post-secondary education funding. To reflect this, there is no requirement that the EPF arrangement expire or be amended during the upcoming round of fiscal renegotiations.

Prime Minister Trudeau spoke at a federal-provincial conference in 1976 and on the subject of EPF said notice of termination would not be taken, or be given, lightly. I want to underline this: EPF was not supposed to change over the next five-year period covered by the renegotiation of federal-provincial cost sharing.

4:30 p.m.

This brings us to the issue that is giving all of us many sleepless nights—the issue in this debate today. It is certainly a big part of it. Recently, as members know, there have been strong tremors that make us believe Ottawa

wants to upset that applecart. Ottawa may want to make major structural changes in EPF; the evidence is rather clear and convincing.

Mr. MacEachen announced his intention in last fall's budget to achieve new savings of some \$1.5 billion from transfers to provinces over the next two years. That intention was repeated at hearings of the parliamentary task force on federal-provincial fiscal arrangements by Mr. MacEachen and his senior federal civil servants. That echo has gone on. They have indicated that Ottawa might seek to phase in just such cuts gradually.

Mr. Breagh: It seems to me to be a long way away from the hospital bed issue. Are you ever going to get there? One would almost think you were afraid to get on that. When do we get to hospitals? When are you going to make the connection?

Mr. Jones: It certainly relates. If the member opposite does not think \$1.2 billion that comes right out of EPF and constitutes the removal of the revenue guarantees, then I do not quite understand how he got to the role of health critic. He understands clearly how the two relate.

For example, the Minister of National Health and Welfare, Miss Bégin, told the parliament task force she would recommend to the federal cabinet that a ban on extra billings be a condition provinces must fulfil in order to receive the full allotment of EPF transfers. Miss Bégin is taking what we consider to be a philosophical position as there is no compelling evidence that current opting out is harmful. Others will disagree. Her position was also rejected by all provinces except Saskatchewan, to be sure.

The Deputy Speaker: One minute.

Mr. Jones: As we have all been told by Ottawa, the federal government wants to raise its visibility across the land by blowing more trumpets about its role in various programs. We see it rather clearly.

Mr. Wrye: She wants you to spend some money; spend a few dollars for a change.

Mr. Jones: I can understand why the Liberals are particularly sensitive about it. The Liberal members talked about it at their recent gathering and acknowledged that EPF cuts were going to have an adverse effect on health care in this province.

Interjection.

Mr. Jones: The member should not deny it

today for convenience in the debate. It is at least \$1.5 billion in cuts. He should not be so silly. I heard the debate on Suncor earlier. When we talk about that amount of money, that is 40 days in the health care system of this province.

The Deputy Speaker: Time.

Mr. Jones: I remind the House, Mr. Speaker, as I take my seat, that as Justice Emmett Hall said, there is no evidence the provinces are diverting funds from the health care expenditure field, as we have heard in allegations leading up to this EPF cut. The cut has caused our minister to bring forward initiatives, proposed here, to ensure we continue to have the maximum health care programs the people of this province have always enjoyed.

Mr. Conway: Thank you, Mr. Speaker. I want to offer some personal comments on the matter before us this afternoon. Before I do, I must say I regret the old standing order has not been reinforced that members ought not to be allowed to stand and read speeches. I think it is a comment on the view of this government, and unfortunately perhaps the view of this minister, with respect to the importance of this place that this speech would be offered hours after four, five, six, seven or eight legislative sessions concluded on the estimates of the Ministry of Health. It certainly sets in some perspective the role this government views the Legislature playing on some of these issues.

Mr. Wrye: Some people would call it arrogance.

Mr. Conway: I will not engage in the whole matter of the efficacy of the Premier's intervention on Monday at the Ontario Hospital Association convention. I learned my lesson painfully in the last election campaign about what to expect; I no longer have a very high expectation in some of these respects.

I must say it is a real concern to me that we have today the opportunity to discuss the speech made by the Minister of Health yesterday to the Ontario Hospital Association convention. There is no question in my mind that those of us who have had the opportunity to be here for the past number of years, I would say since about 1974 or 1975, are seeing the slow, studied, steady erosion and dismantling of our public health care system.

Interjection.

Mr. Conway: I have to dispute the Minister of Health's private interjection. There is little doubt in my mind that what he has offered here is yet another march towards the breaking down

of a commitment entered into so very reluctantly by this Conservative administration some 20 years ago.

This afternoon I was reviewing briefly the book by Malcolm Taylor, entitled *Health Insurance and Canadian Public Policy*. I was reminded yet again of the kind of intransigent reluctance that characterized the bringing of the Conservative government of Ontario to the concept and to the public policy we have in terms of medicare in the public hospital insurance program. Certainly they are not going to have it said that their association with that public policy was any longer than absolutely necessary.

I have to agree entirely with the remarks of the member for Bellwoods (Mr. McClellan), of my colleague the Leader of the Opposition (Mr. Smith) and of the member for London North (Mr. Van Horne). I am rather amused and amazed when I hear what the member for Mississauga North (Mr. Jones) says in respect of what I heard days ago from his senior and, I think, rather more sensitive colleague the member for Mississauga South (Mr. Kennedy), who invited us in the committee to pay heed to some of the worries he was being faced with in Peel region.

The thing I find interesting about the speech is that through this minister the government has conceded to the powerful special interests that they are right and are going to be followed. The members who have been involved with the health debate, and certainly my colleague the member for Oshawa (Mr. Breaugh), will remember well the whole business not many years ago when those special interests were inviting the Legislature, the cabinet and the community at large to break the system down, to recognize that there would not and could not be sufficient dedication of public dollars and to let private money in. Private money is obviously being invited in, in a way that will seriously undermine the public hospital sector.

This afternoon I was discussing with a couple of administrators what they felt this change would involve. They view it as a very serious worry. Under these new conditions, they do not see any way whatsoever that they can deal with the service problems they are faced with in their respective communities. They are not happy. Who could be happy with quotes like this from page two of the minister's speech: "A deficit is going to be seen for what it is: a loss or overspending"?

How many of us who sat through hours, weeks and months of testimony in the last three

or four years can honestly believe, on the basis of the evidence tendered, that the vast majority of hospital deficits in this province are the result of overspending? It seems to me the call from most of those people on the line is that it is a result of the rather arbitrary funding mechanisms, some of which have been shown to be ludicrous in the extreme.

I think particularly of the debate we had about the new active treatment bed ratios and how completely and grossly inadequate they were to meet the community needs in many parts of the province. It is my impression that the framework the government has set out in this paper will do nothing but aggravate the very conditions about which hospitals are so bitterly and properly complaining today.

4:40 p.m.

It has been said by many here today that the community should be involved. I will not bore you with the language of the minister, Mr. Speaker, but there are some rather interesting quotes in that respect, saying there should be more local decision-making and the community should be involved. It is not so many weeks ago that we sat in our places and had debated before us a rather controversial amendment to the Public Hospitals Act which gives the dictatorship at the Hepburn Block the effective trusteeship, if it so chooses to exercise it, over any public hospital in the entire province.

Iron-heel Timbrell, the man who but weeks ago stood in his place and said that through this new legislation, should the executive council decide an intervention into a local community's public hospital is going to be required, then there can be an intervention to take away that community control.

Now he comes back to say we are going to have greater community involvement. That is something of a contradiction, it seems to me, but I must say it is no greater a contradiction than listening to the baneful bleating of the member for Mississauga North, talking about the heinous activities of the federal government, on the one hand, and having listened over these many months and years to provincial Treasurers, most notably the current Treasurer, the member for Muskoka (Mr. F. S. Miller), inviting, enjoining, haranguing, harassing respective federal governments to get their house in order.

The member for Muskoka has stuck his chin so far out into the fast lane that the temptation to take a solid, four-square poke at it must have been almost irresistible for the federal Minister

of Finance. I say that, making no judgement or comment about the efficacy of what the federal Minister of Finance was intending to do, save and except to say that it is nothing that the current Treasurer of this province did not repeatedly and regularly ask for.

How many times have we heard, in this chamber and elsewhere, on the one hand that the community concept is important, and on the other the steadfast reluctance of the government to fund to those community levels and responsibilities? We know that in a province as disparate and diverse as this, there are inequities in terms of socio-economic conditions; it was because of that very situation that we moved, under the guidance of many thoughtful and progressive people some 25 years ago, to a public policy that would put a standard across not only the province but also the country.

Now to be told that we are going to return to a broken-down, fractured health care delivery system is offensive to me. Added to which I want to say that the notion that there ought to be a private sector marketplace mentality exercised in this sector is just absurd; it is rendered more than absurd, it is rendered insulting, when it comes from the Minister of Health, who knows, not only on his own account but also on the account of some excellent advice I am sure he gets from within, that it is just not so.

This marks, I want to say in conclusion, another sad, sorry step down the slippery slope to a withdrawal from a public medical and hospital insurance program that I think will long remain an unfortunate and rather pitiful commentary on a government that lost touch with the real sensibilities of the people of Ontario.

Mr. Foulds: Mr. Speaker, one of the things we have to keep in mind in this debate is that we have perhaps the most single savage attack we have seen in a long time on the hospital system of this province and we have not a single cabinet minister in the House to defend the action of the Ministry of Health, including the minister himself.

I have been this route before. These arrogant, insensitive Tories that we see across the way, it only took them six months after the so-called realities of March 19 to start bullying and bashing the people of Ontario the way that they did in the early 1970s when they received their huge majority, which curled around on this side of the House.

What do we have? We have a government that deliberately attacks the most vulnerable people in our society. This is not new. It has

been accentuated and has culminated because the minister and his Premier (Mr. Davis) have a majority at the present time.

It is worth remembering that in 1968, John Robarts, then the Premier of this province, called medicare "this Machiavellian scheme." That underlines the lack of commitment this Conservative government has had to a fully accessible, fully universal health care system. It is worth remembering the savage and continual attacks they have made, chipping away at our health care system over the last number of years.

Remember that in January 1979 we had cutbacks in hospital funding by this minister; in 1979-80, 900 hospital beds were cut back. The government was to impose a \$9.80 penalty on chronic care and psychiatric patients who stayed more than 60 days. We had a 300 per cent increase in charges to users of ambulances. Health care wages, except for those of doctors, were effectively limited to 4.1 per cent.

Remember that the government arbitrarily chose its ratios of four beds per 1,000 in the north and 3.5 per 1,000 in the south. That meant we had the second lowest ratio of beds of any province in Canada. As well as that, in 1979 we were already paying the highest premiums in Canada.

By September 1980, members will remember that 16.6 per cent of all doctors in Ontario had opted out of the Ontario health insurance plan, and a whopping 26.4 per cent of specialists had opted out. That was the crisis of that day.

By the end of fiscal year 1979-80, Ontario's contribution as a percentage of the total Ontario health care budget had dropped from 59 per cent in 1975-76 to 46.1 per cent.

Then, by October 1980, an Ontario Hospital Association survey showed that 156 out of 199 reporting hospitals would be in a deficit position, totalling \$71 million by March 1981. As of December 1980, the Ministry of Health had picked up only \$16 million of that deficit for 39 hospitals.

They have played this game before, letting the hospitals get into a deficit situation, bailing them out a little bit and then doing this kind of thing. This year, in the spring budget, OHIP fees, already the highest in Canada, rose from \$480 per family per year to a whopping \$552. The Treasurer gets more in revenue from health care fees than he gets from our resource taxation. That is simply a wrong set of priorities.

Then the Minister of Health started his kite-flying. In June, he said, "Ontario residents

may be required to pay part of their doctor and hospital bills directly if Ottawa slashes the funds it transfers to the provinces for health."

He said on September 11, 1981 to the Kiwanis, "We may have to contemplate raising additional funds from within the system itself including employing modest user charges, as has already developed in some other provinces." That is a tax on the sick.

What he has done in the last few days is he has introduced a two-tier hospital system. What is even more offensive to me is that they are doing this in a sense of what my leader called lying, which I will not repeat, but which my colleague the member for Bellwoods indicated is duplicity, dishonesty and bad faith. Frankly, I think he was being kind.

I do not know how else anybody could interpret the Premier's statement of Monday. I used to be an English teacher in high school, and for the life of me, when I see this, "For the present, despite press reports, we have rejected new user fees for hospitals as a revenue-producing step," I do not know how that squares with the minister's statement.

The Premier does not say, "We have rejected new user fees for ward care for hospitals." He does not say, "We have rejected new user fees for the lowest common denominator of hospital care." He says unequivocally, if he can say anything unequivocally, "We have rejected new user fees for hospitals as a revenue-producing step."

4:50 p.m.

Two days later, we had what I consider the most offensive statement I have heard from a Minister of Health in this province in my 10 years in this Legislature; and let me tell you, I have hear some pretty offensive statements.

Just look at the wording: "Creative hospital management is being stifled by the rigidity of the existing system." He uses terms like "financial flexibility," "increase in local accountability" and "private sector thinking." He says: "The improved system"—note that—"which I will introduce today will have as its linchpin the inclusion of a bottom line in hospital management. A deficit is going to be seen for what it is: a loss or overspending."

He talks about "the product we are working to create," and likewise says: "Hospital managers in the past have had no incentive to underspend their budgets. This situation is going to change." He says: "Many hospitals have shown entrepreneurship in ancillary ser-

vice areas, such as parking lots and cafeteria services. Other money-making ideas will occur to the innovative administrator."

The imagination boggles. They are probably going to be encouraged to have hot dog stands. They are probably going to be encouraged to have little fairs in the parking lots to get additional revenue. They will be encouraged, perhaps, to put meters in the visitors' parking lot and in the doctors' special parking lot. Maybe they will be putting meters on the hospital beds so that if a person stays for a long time, there will be a surcharge on the amount of time he or she stays. There are all kinds of innovative ideas.

What is most offensive to us in this party is that this government will point its finger at the federal Liberals as being the makers of this catastrophe, and the federal Liberals will point back and say it is the provincial Conservatives' responsibility.

Frankly, I do not care whose responsibility it is, because to me the bottom line, if I may use that offensive term, is what will happen to the patient. Will the patient be better off in this system the minister has introduced?

The patient who will be better off is a patient, like the minister or myself, who may have extra plan coverage. The patient who will be better off is a patient who has insurance to take into account so that he or she can get semi-private or private care.

The patient who will not be better off is the patient who must pay his or her Ontario health insurance plan fee and have minimal care.

What we need in this province is the kind of government that will ensure that hospitals and schools and social service agencies get the kind of funding they deserve. The cabinet and the Conservative government would have to put on a bake sale or a tag day to get the money it needed for its unnecessary government jet, or Ontario Hydro would have to put on a bake sale or a tag day to build a nuclear plant it does not need. But this kind of doubletalk and doublethink by the minister is destroying the essential quality, the essential accessibility, the essential universality, of our health care system, which at all costs must be maintained.

Mr. Harris: Mr. Speaker, it is a pleasure for me to have this opportunity today to speak on this subject. I question whether it is an emergency situation, and obviously the Liberal Party does too, with six of them in the House. I think the Liberal Party numbers here during the debate probably signify that their party feels the same way. I have not seen the mover, a member

of the Liberal Party, since he spoke. I do not believe our party said it was an emergency, and I do not believe it is. That is why I welcome the opportunity to speak on this subject, even though I do not believe it is an emergency.

A key element of the Ontario Hospital Association policy announcement made by the Minister of Health yesterday is rationalization in the health care system. By rationalization, I understand and I mean the sharing of services between hospitals. If gaps in local hospital services can be filled, overlaps eliminated and central service organizations established wherever possible, then costs can be controlled and money redirected to more effective uses to meet changing or growing health needs.

Rationalization also makes eminent good sense—

Mr. Wildman: I hate that phrase.

Mr. Harris: I am glad my friend said that, because I am going to use it quite frequently in my speech.

Mr. Wildman: You are going to use that a lot, are you?

Mr. Harris: That is what I am here for today.

What is the point of having hospitals in the same, often small community offer identical medical services when, if one hospital takes a cardiac unit, for example, and the other perhaps builds a perinatal unit, the community is better served and more efficiency is achieved?

I want to stress that rationalization helps us to realize our goal of ever better patient care. Rationalization actually achieves at least two of the four major elements in the new business-oriented system outlined yesterday by the minister. I can understand why one party here does not want it to be business-oriented.

Rationalization offers new opportunities for hospitals to maximize revenues, and it is a strategy that minimizes expenditures. It means new money does not have to flow from the ministry. I think it means that money saved from amalgamating services can be used for other improvements and programs. I think it should be viewed as a double blessing.

There is no doubt in the government's mind either that the new program policy will make rationalization even more attractive to hospitals. With hospitals now being allowed to retain net earnings—that is, any surplus of revenues over expenditures—for use in their health care programs, we fully expect that rationalization will be promoted. I think all three parties ought to do their part to promote it.

Hospitals engage in the rationalization of nonmedical services in so-called hotel services, such as in sharing common laundry. At the moment, however, the rationalization of medical services saves us all—hospitals, the government and therefore the taxpayers of this province—the most money in co-operative hospital ventures. This is because of better utilization of some of the most expensive costs in the hospital, such as high technology.

The minister mentioned multi-unit management yesterday as an idea whose time has come. He urged hospitals to explore the possibility of sharing administrative and other support services with neighbouring institutions. When one considers that 30 per cent of the staff in the hospital sector is involved in operations other than direct patient care, then we have fruitful ground for a reassessment and a realignment.

I want to make a further point about the possibility of sharing administrative personnel, such as the accountants within hospital staff. I think a strong point can be made for this kind of rationalization when one remembers that upwards of 80 per cent of hospital service costs are wage-related. Those costs, incidentally, have been moving up at a rate greater than the general rate of inflation.

I realize that some hospitals use joint medical staff, and I am delighted to say that the two hospitals in my constituency, St. Joseph's General Hospital and the North Bay Civic Hospital, do just that. In fact, these North Bay hospitals were the forerunners of the rationalization process. The medical staff combined in 1967. They have shared a unified laboratory since the 1970s. Both offer acute care, of course, St. Joseph's specializing in neonatal obstetrics and the Civic in chronic care. They also have a central laundry.

5 p.m.

These two hospitals are moving in the direction of having one board and one corporate structure. A total merger is the ultimate rationalization. It has been estimated by one of the administrators of the North Bay hospitals that this ultimate rationalization they are working on will provide the same service with savings of \$1 million to \$3 million a year.

I believe keeping these health care funds in North Bay for improved services in other areas is good. That is one of the reasons I am supportive of the minister in the new initiatives. I think it is good news. It is logical. It makes sense. Maybe that is why some people in this Legislature want to question it. I know it will work.

I want to give other examples of rationalization at work in Ontario. In Brant county, major upgrading of the emergency services was made possible at Brantford General Hospital by the amalgamation of Brantford General's emergency department with that of nearby St. Joseph's Hospital.

In Ottawa-Carleton, an excellent example exists of the hotel type of support service rationalization. Six hospitals there have joined forces to create a central food purchasing and preparation facility. This is expected to save \$500,000 a year, compared with the cost of operating six separate dietary departments.

Many hospitals find sharing obstetrical services useful. This has happened in Sault Ste. Marie, where General Hospital concentrates on obstetrics, leaving the Plummer Memorial Public Hospital to focus on psychiatric services.

Mr. Wrye: That is already happening everywhere.

Mr. Harris: No. I mentioned to my friend how well it was happening in Nipissing and that it is time some of these other hospitals started to look at it.

Mr. Wrye: Come on down to Windsor where we're really fat with cash.

Mr. Harris: Maybe the member could use some help from the hospitals in Nipissing down in Windsor.

Other hospitals prefer to co-operate on emergency services, and this is happening among four hospitals and other health care providers in Sudbury. District health councils can now play a decisive role in bringing about rationalization.

Mr. McClellan: Tell us about the price of beds.

Mr. Harris: Maybe next; I might have time yet.

District health councils serve as catalysts for change, pinpointing opportunities to streamline the local system and persuading the institutions involved in the act.

Rationalization can sometimes seem a painful and difficult process. It may be hard to convince someone with logical arguments and expert data if he thinks what one is advocating threatens his own wellbeing. Everybody favours fiscal restraint in principle but, when it comes to applying that policy to particular situations, those affected often change their minds.

The difficulties, however, can and are over-

come through dedication and sensitivity of DHC members, hospital trustees and administrators to the needs of their local regions.

Mr. Wildman: But they are not logical, are they?

Mr. Harris: Some of them are, and some are like the member. I point out a recent procedural change the government has made that should improve the links between the views of the hospitals and those of the district health councils. Hospital board chairmen and administrators are now eligible for membership on district health councils which, as the members know, advise the Ministry of Health on programs or policy changes required in their areas.

The important point to remember with rationalization is that it is not a way of reducing services. It is a way of allocating them better to ensure they match the needs of the community. In view of the fact that needs are changing, we have to be increasingly adaptable. In a younger community, for example, it is quite apparent that we need more emphasis on paediatric and obstetrical services. In an area with a large ageing population, the priority is definitely on chronic care.

If new services are required, there are two ways of providing them. One can simply add on to the existing package of services, which requires more tax dollars, or rationalize areas where one has a surplus or duplication of services. This results in more available dollars and in an improved health care system.

Rationalization of hospital operations remains a key way that we in Ontario are able to ensure continued quality health care at a reasonable cost to all of our citizens.

Mr. Wrye: Mr. Speaker, I want to start by telling the House of an experience I had on Monday. I guess it turned out to be a dream. As I flew into Toronto on Monday morning, on my way up north on a tour of universities and colleges I have been doing, I picked up a Toronto Sun.

The first thing I saw was a story which indicated that the government was going to be bringing in user fees for hospital beds. I believe it was going to be \$4 a day; that was what the report said. I said to a colleague who was going up north with me what an awful thing this was and what a disgrace this was, especially coming from a government which had enough money for an oil company.

I was up north all day and away from the car radio and television, and when I got back to my

apartment here in Toronto late that evening and turned on the news I found out that the Premier of Ontario (Mr. Davis) had appeared in front of the Ontario Hospital Association and had rejected any new user fees for hospitals as a revenue producing step. I said, "Thank gosh. There must have been a terrible outcry, an almost instantaneous outcry, and the government has backed off." I was very pleased that the government had at the last moment come to its senses.

Its sensible approach lasted exactly 48 hours because, as we all know now, yesterday—just one day ago—the minister, apparently not having heard the Premier's message, got in his limousine and went downtown and announced that indeed there would be new user fees. I do not know how you rationalize the two; the Premier saying there would be none and then what happened when the minister made his speech yesterday to the Ontario Hospital Association.

I find myself wondering about the last speaker for the government side, the member for Nipissing (Mr. Harris). All fall, as the critic for the Ministry of Colleges and Universities, I have heard the word "rationalization." Every time you dig into what rationalization really means, it is kind of a Tory buzzword for cutbacks. That is what we have in this new proposal. We have cutbacks in services and it is just being done by another means. We have cutbacks in publicly financed services. We are now going to depend upon people to pay their own way. I suspect people have believed over the years that they were paying substantially enough money in terms of their own taxes and they are now being asked to do a little more.

What is terribly wrong about that is that it is just another step backward from the view which I thought we had all come to believe in; that decent health care, decent hospital care was a right and not a privilege. Now, once again, we are going to go back to a day when it will be a privilege.

A few minutes ago, the previous speaker for the government, the member for Mississauga North (Mr. Jones) spent most of the time in his prepared text—carefully prepared by some ministry official or some government official, I presume—talking about the established program funding cutbacks as if this has savaged the government, savaged its ability to provide any decent social programs for the people of Ontario.

Hon. Mr. Timbrell: Do you support the cutbacks?

Mr. Wrye: The EPF cutbacks, the cutbacks in the revenue guarantees will amount to exactly one to 1.2 per cent of all of the money they will spend in the next five years.

Hon. Mr. Timbrell: That is okay?

Mr. Wrye: We said very early on that we were not happy with it. We still deplore it.

Mr. Wildman: The parliamentary task force is against it, too.

Mr. Wrye: The parliamentary task force was against it. All parties were against it.

Hon. Mr. Timbrell: Are you against it?

Mr. Wrye: Yes. Despite that, this government which says, "We are going to have to cut back on social programs," has found not \$1.2 billion or \$1.3 billion to restore these programs; this government claims it has found \$2.4 billion for an oil company and the minister is not concerned about that.

It is ironic, I guess, in a sense, that we should be here debating this emergency debate in the Legislature on the very day when the officials who had a great deal to do with Suncor came before us to try to explain this terrible business deal that will make the Tories the laughing stock of every business organization in this province. The fact that they claim they have enough money for Suncor but not for the health care system or for the universities is just ludicrous.

5:10 p.m.

Because we have bought an oil company, we are going to say to the sick who might want to go into semi-private or private coverage: "You will have to pay more. If you want to park in a parking lot, instead of 50 cents it will be \$2.50. It does not matter whether you are one of the working poor or one of Windsor's 20 per cent unemployed, if somebody in your family happens to be sick, cough up a lot of extra money in terms of the parking lot." Maybe you have to stay for dinner because you have somebody in the family who is ill but, as the minister pointed out in his speech yesterday, that is another way to maximize some revenues.

As with the universities, I suspect this is just the starting point. They have backed off from the cost for hospital beds, the \$4 proposal, but just for now. As this government moves forward in an effort to privatize the health care and hospital care industries, it will be asking the working men and women of Ontario, and indeed employers who pay for semi-private and private coverage in many union contracts, for example, to pay the difference.

It is interesting that within this speech the minister seemed to be putting the blame on hospitals for not having rationalized—as my friend the member for Nipissing said, on hospital administrators for not having cut costs, and as my friend the member for Windsor-Walkerville (Mr. Newman) suggests, on too many people getting sick. I guess they are to blame too.

Mr. Newman: They are sick of the government.

Mr. Wrye: I guess they are. People are getting very sick of the government very quickly. I would venture to predict that this latest move will move us forward. The people are concerned that this arrogant government has completely lost touch with what its priorities ought to be. It is significant that the arrogance of this government can perhaps best be shown in two areas.

This very dramatic cutback in the policies we have had over the years for our health care system was not announced in a statement to the Ontario Legislature. It was not even announced on a day when the Legislature was sitting. I consider that to be more than sheer coincidence. It was announced on a Wednesday when the House was not sitting, so the minister would not have to screw up his courage and read this as a ministerial statement.

I find it significant that this breakthrough, if that is what this disgrace can be called, was announced just after the estimates of the Ministry of Health were completed. I think the minister ought to have the courage to go back and do a couple more hours of estimates so that both opposition parties could have a real opportunity to question him.

Rather than the speeches we are making this afternoon, we could question this speech on a line for line basis and get down to the nitty-gritty as to how hospitals like Hotel Dieu Hospital and Metropolitan General Hospital in Windsor, both of which have deficits of \$1 million, will be able to reduce those deficits and, as the minister suggests, wipe them out without putting the cost of semi-private and private coverage totally out of the reach of anybody but the very rich or those who have contracts and are willing to forgo wage increases because of the sharp increase in benefit package.

Perhaps the minister suggests we are going to make do with increased costs of restaurants—

Mr. Speaker: The member's time has expired.

Mr. Wrye:—or perhaps many, many other ways.

In closing, I would suggest that the minister should come back to the social development committee and talk for another three or four hours and justify this very dangerous precedent he announced yesterday.

Mr. Breaugh: Mr. Speaker, I am somewhat saddened by the debate this afternoon because I thought for a while this House, this Parliament and the people in this province had resolved the difficulties in hospital funding.

For example, I recall when the government decided it was a good thing to build hospitals in the early 1970s and in particular to cut ribbons. They built them all over the province. There seemed to be no end to available funds and there certainly was no end to the number of ministers present to cut ribbons, open new wards and do all of those things.

Having walked that side of the street extensively, somewhere around the middle of the 1970s they decided that having made all the political gain there was to be made in opening up new hospital institutions around Ontario, they did not like the reality of having to fund the system. They decided, and members might recall it was the now Treasurer (Mr. F. S. Miller), who was then Health minister, who said very dramatically, "We have too many hospitals and we are going to shut some down." He even had the audacity to go to the communities and announce these shutdowns, one by one.

But in the middle of that, I recall, little Frank got snowballed in several places and decided to chicken out.

Mr. McClellan: Including his own head.

Mr. Breaugh: Yes. He got a couple right where he deserved them. That probably has been a part of some of his problems.

But they decided to back off that, after that particular process proved to be so unsuccessful, perhaps because for once in its life this government told the public the truth about what it wanted to do. They committed an error of politics along the Tory lines, because the basic line is never really tell them what you are trying to do. Tell them anything else. Tell them what they want to hear. Go ahead and do it in the back room, but never tell the public up front just what exactly it is that the government intends to do. The former minister made that mistake, he paid the price and withdrew.

Subsequently, I recall in 1975, 1976, 1977 and on into 1978, the government of Ontario decided, through a variety of means, to cut back on hospital funding.

The first defence is never admit that there is a cutback under way. One always gets rather specious arguments about how many dollars one puts into a particular field in one year as opposed to how many one is putting in this year. One never attempts to really assess the realities of modern economics. One never attempts to really have a good clear argument about what the government is doing. One begins this process, and the Minister of Health is a master of this particular one, of trying to fudge the issue. Get lots of reports out, get lots of numbers out, and make the argument confusing enough so that the public does not perceive what is really going on.

I recall that process as well. That is kind of the second phase of cutbacks in the hospital system. I recall, too, petitions brought in and placed before this House. I recall the coalitions that were formed and I recall all of the emergency debates we had during those times and the things that we had out in front of the estimates.

I recall Darcy McKeough. The only time I ever saw that man turn tail and run was when he attempted to jack up the price of the Ontario health insurance plan premiums. Darcy and everybody else in that cabinet denied that is exactly what they were trying to do, denied that they really were trying to milk more money out of the sick in this province, but then gradually as the momentum of the process grew, they too withdrew that one.

Then the present minister went through his process as well. In a minority, things were a little different around here. In a minority, at least there was an opportunity to go before a committee of the Legislature and have the argument to give the public at large an opportunity to express problems, to give administrators, doctors, nurses and patients an opportunity to express an opinion.

But it is something which should be noted that in the middle of a majority, having had six or eight months to kind of get their teeth set on exactly what they wanted to do, just after the minister's estimates were finished, all of a sudden on Monday the Premier goes down to the hotel and announces, in a classic example of everything is just fine, that there will be no more user fees. He says, "We have discarded that idea," and on Wednesday, in a rather classic Tory move, he sends the little man in the Gucci jackboots down to announce that we may not be having more user fees, but we are substituting this program in its place.

5:20 p.m.

I recall that in a minority Parliament the opportunity was there for an expression of concern by members on all sides and by the public at large. I recall too that in a strange way, in a Globe and Mail editorial in the middle of July, the government announced it was going to provide more money. In that long series of debates that we had in here about how we do fund hospitals, we managed to get some small measure of truth out about that, and some measure of the problem as well.

I had an opportunity to go through the minister's announcement, and I must say there are some remarkable confessions as to what the Minister of Health in Ontario is all about. The minister said in his speech, and I will not quote it, but words to the effect that the ministry is in the health business. Well, that lines them up nicely with the pharmaceuticals. That lines them up nicely with the American suppliers. That lines them up nicely with all those private sector people who make a big buck off the people of this province, and that shows which camp he is in. It is nice and clear; there is no equivocation there.

I think he might regret that particular quote he stuck in the middle of his speech. The minister went through a long list of things in here which I think he is also going to regret and which certainly the rest of us are going to regret as well. He has set the pattern for hospital care in Ontario. He has made, in this pitch, a very soft and velvety approach which is basically an apartheid policy. Within our publicly funded institutions, the ones which you and I built, paid for and operate, Mr. Speaker, we are now going to have two classes of medicine, and we are going to take it from the stage where it is now and really embellish that. We are going to make sure that there is a Waldorf-Astoria approach.

The hospitals, looking for more money, desperate for funds, will grab on to that and they will decide there is a need to provide, not first-class care for patients, but good, up-front very fancy, luxury accommodation for those who can pay. The remainder will be stuck with a worsening problem. Those who are having difficulty finding space in our hospitals now will find the problem severely aggravated.

Quite frankly, I think those who have to work in our hospitals will find the problem aggravated severely as well, because for many of the doctors, nurses, orderlies and people who work in our hospitals now, the problem is severe. It is a funding problem. It is a problem of trying to

provide a level of care that they know is not what it should be—and now the minister has given a very neat solution to that problem.

What he is saying is, "Split it up. In that section of the hospital where total control of the funds can be retained and new funds generated, that high level of care can be provided." Certainly, if he is going to knock somebody an extra \$100 a day for this kind of care he is proposing, that is where the hospital administrators will see a source of funding and they will be hot and heavy into that. Guess what is going to get neglected even worse than it is now? That is the level of care that is provided to the general public.

There is a perversion through all of this. There is a perversion that—to take another little chunk of the minister's statement—he is now saying if hospitals generate new funds and save money they will be able to keep that totally. I recall that repeatedly in the last three or four years around here we have gone at the minister about what does he do to a hospital which actually does become cost effective, which actually does in a sane and sensible way provide a rational service at less money. He grabs the money. He gives them back a quarter on the dollar, or something like that, but he grabs the main part of the savings.

I have noticed a slight shift in here, because now he is saying, "We will let you keep 100 per cent of whatever you have got there." He did not drop the other shoe very well though, because he said there will be consistent funding. That one is going to come back to haunt him. I bet what he will hear from hospital administrators around the province over the next three or four years is, "You have dropped that other shoe a little harder," as he takes away more and more of his provincial funding.

The notion that was put forward by the minister in his speech is a very dangerous idea and a perversion of what a medicare system is all about. The minister should not be surprised, but he should be very much ashamed; and the Premier, who said one thing on Monday and then sent his little jellybean assistant down on Wednesday to complete the dirty deal, ought to be even more ashamed.

Mr. Robinson: Mr. Speaker—

Mr. Breaugh: Are you wearing your Gucci jackboots?

Mr. Speaker: Order.

Mr. Robinson: No. I have my proletarian suit on today, I would remind the member for Oshawa.

Mr. Speaker, much of the debate today has focused on the quality of health care we enjoy in Ontario today. The Premier and others have frequently called ours the finest health care system in the world, and I believe they are right.

The extent and sophistication of the diagnostic and treatment facilities are still improving measurably year by year. The training and skills of doctors, nurses and other health care workers are better today than they have ever been.

I would like to review for the House some of the very obvious improvements that we have seen over the past few years. These improvements, I might add, are no tribute to the Leader of the Opposition (Mr. Smith) and others in his party whose announced policy in 1978 was to cut \$50 million from the budget of the Ministry of Health. No, they are a tribute to this government, which instead of cutting health expenditures, as the Leader of the Opposition suggested, has continually increased its commitment to health care.

As the Premier recalled to the Ontario Hospital Association earlier this week, the budget of the Ministry of Health has grown by almost 68 per cent in the period since the Leader of the Opposition proposed to cut it. This year, for instance, we will spend about \$5.7 billion on health care, which is more than the total budget of the government of Ontario 10 years ago.

These are mind-boggling figures. Even broken down on a per capita basis of \$650 for every man, woman and child in Ontario, it is still staggering. Looked at another way, the volume of physicians' services increased by 20 per cent between 1974 and 1979, while the number of practising physicians increased by only 13 per cent. In the past five years, spending on the drug program has increased a whopping 185 per cent. This last year alone, we raised hospital funding by some 17 per cent, which is well above what any other sector of the government received and well above the rate of inflation.

I could go on and on in this vein for the balance of the afternoon. There simply has not been a single indicator of health care that has not increased and that has not experienced major increases during the past period. But I want to turn instead to some of the very innovative things that are happening in Ontario to give us a world-class health care system.

It sometimes takes dramatic events or well-known personalities from abroad to draw attention to the superior skills and unique facilities that draw them to Ontario's specialized hospitals for treatment, hospitals that we in this

province enjoy routinely under the Ontario health insurance plan. For instance, over the past year we have developed one of the most comprehensive policies in Canada for the introduction of computerized axial tomography scanners, one of the most advanced of the new technological tools available to medicine.

For the benefit of all honourable members I should note that the CAT scanner was invented in Britain some nine years ago. It is a major breakthrough in diagnostic medicine. Its developers won a Nobel prize for it in 1979. Using a narrow X-ray beam, radiation detectors, computer printouts and visual displays, CAT scanners provide a cross-sectional view of bones, tissues and organs in minute detail. This slice image offers a perspective that conventional X-ray machines cannot match. Originally designed for head scans to diagnose neurological disorders, the hardware has evolved in recent years to provide scans of all parts of the body.

Scanners were initially introduced into teaching centres and specialized hospitals like the Princess Margaret Hospital in Toronto. Over the years we have reached the point where scanners are now available on the basis of one for every 300,000 referral population. This means that every major health centre in Ontario has access to the technology and it is available to everyone in Ontario who can benefit from it.

5:30 p.m.

There is also our fine air ambulance system program. If the Leader of the Opposition and others were to find themselves in Sault Ste. Marie again, they would discover this and other northern centres are serviced by a network of air ambulances that is attracting increasing interest from other health ministries in Canada and abroad. These ambulances, based in Sudbury, Timmins, Thunder Bay and Sioux Lookout, together with our underserved area program, give citizens of remote and northern communities excellent local care and ready access to the specialists and specialized equipment of the major centres.

I would tell members about the increasing availability of ultrasound equipment and about the extension of home care, which is expanding at a phenomenal rate. I would talk about the improvements in the diagnostic capabilities of our labs, the specialized cardiac, burn, exotic disease and similar facilities being developed in our hospitals. I could talk about the significant improvement in chronic care facilities and the expansion of community services to help mental patients return to normal community life. I

could use the entire afternoon just discussing the advantages in public health in this province in the past few decades, as more and more communicable diseases are brought under control.

One would have to be living in a vacuum if one did not recognize the enormous strides being taken by our health care system in this province. These strides are the result of the government's commitment to health care and our concern that the citizens of this province continue to enjoy the finest health care in the world. I had to wonder earlier in the afternoon if I should not attend a doctor today, because much of what the opposition shared with this House this afternoon has indeed been hard to swallow. That is why I could not sit quietly by in the House and listen to a lot of nonsense from members who, instead, should be joining in commending the ministry, the minister and this government for the wonderful health care system we provide today.

Mr. Mancini: Mr. Speaker, over these past few months, since the March 19 election, I have tried to rationalize in my own mind what makes a government seek re-election and what makes individual members of a particular party seek re-election. After having watched this Conservative majority in action since the March 19 election, I can conclude there is no rational reason why the Progressive Conservative Party of Ontario sought re-election.

We can go back to the budget that was immediately introduced after the House was convened in the month of April. We saw the Treasurer of Ontario (Mr. F. S. Miller) raise taxes by more than a billion dollars a year. We saw the imposition of the scurrilous ad valorem tax at the rate of 20 per cent. We saw the ability of this Legislature to implement economic policy somewhat diminished because of the fact it will never again have to introduce a bill to raise taxes on gasoline.

Further, we saw the members of this government enjoy the privilege of office by purchasing themselves a new executive luxury jet so they can stream across the skies in complete luxury. As my colleague the member for Grey-Bruce (Mr. Sargent) pointed out, whenever they have to go to the little boys' room, they can always be assured there will be leather seats there for them to use; \$10.6 million for an executive luxury jet. Just the interest payments on that alone, at today's interest rates, are astonishing.

We saw this government then move forward with the purchase of a substantial portion of a

major oil corporation, spending \$650 million of the taxpayers' money, which we do not have. We were told today that \$650 million would have to be borrowed at the rate of anywhere from 17 to 18.5 per cent, making the total cost of the Suncor deal approximately \$2.4 billion. We could fund a lot of hospitals with \$2.4 billion.

When one watches this government in action it is hard to find any good reason why they fought so hard to be re-elected. I would ask new members on the Conservative side, such as the members for Lakeshore (Mr. Kolyn) and Brantford (Mr. Gillies), why they fought so hard to get into the legislature. Was it to impose the ad valorem tax? Was it to help their party buy this new executive jet? Was it to help their party buy 25 per cent of Suncor as the economic situation in this province continues its nosedive and as industrial workers from Windsor, Chatham, Brantford, Toronto and elsewhere are laid off by the hundreds?

We are curious to know why they fought so hard to retain office. One would not want to become so cynical as to think the only reason they fought so hard and spent so much money to retain office was just to have the privilege of exercising executive authority, to be driven around in bright blue limousines and more or less to pretend to be in charge of an economy they seem to know so little about.

This attack on the health care system is something I am sure surprises even the 22 new members of the Conservative caucus, even though some of them are being forced to stand and read speeches which have been somewhat prepared for them. I am sure even they are surprised the health care system has now come under attack by the Conservative government of Ontario.

We are being told by the Minister of Health on the one hand that his government does not want to impose user fees but, on the other hand, he is telling the hospitals they must impose user fees. He is forcing the hospitals to create a two-tier level of service, one for the wealthy and one of the not-so-wealthy, one for the people who can afford semi-private and private care and one for the people who cannot.

We know the hospitals forced into this situation will eliminate ward beds and put more beds in the semi-private and private areas. We know that will make it more difficult for people who cannot afford to pay the price. It will make it more difficult for them to enter our hospitals. Hospitals like Hotel Dieu and Metropolitan General Hospital in Windsor, which are now

under the severe load of at least a \$1 million deficit in each hospital, are going to have difficult times ahead.

In my view, there is no other way but a reduction of services in the Windsor area as this program starts to take effect. The Minister of Health tells these hospitals they should become ingenious. He tells them they should think of ingenious methods of raising money. He says: "Charge more for semi-private and private beds. Charge more in parking fees. Charge more for the meals being served in the hospitals." I am surprised he has not asked them to hold a bake sale.

5:40 p.m.

It has always been our belief that medicare would be for all the people, that the health services here in Ontario would be second to none in the world. We have come to accept and to expect these services, not because the Conservative government is paying for them but because the Ontario taxpayers are paying the fees. I was quite surprised to hear the last speaker rattle off quite a number of things that are being done in the health care system as if he and his Conservative colleagues were paying for them.

We must not lose sight of who actually is paying the fees to support our health care system. Therefore, since all taxpayers are being asked to pay on a fair and equitable basis, according to their income, they should be treated as such when it is necessary for them to use the hospital services. No two-tier system should be allowed to grow. That is the basic point. All people pay as much as they can according to their earnings and they should not be forced into accepting a secondary type of health care service just because the government wishes to spend its money on executive jets and oil corporations, and not for sadly needed social services in our province.

Mr. Martel: Mr. Speaker, as I drove down the Don Valley Parkway yesterday coming back in, I heard the announcement by the minister. So help me I nearly hit seven cars, because I recalled the headline last Tuesday in the Toronto Star, "Davis Rules Out User Fees For Hospital Beds." Old "smiling Bill" managed to dupe everyone. What did he say? He said: "For the present, despite reports, we have rejected new user fees for hospitals." They can call it whatever the hell they want, it is a user fee. There was "smiling Bill" at that convention on Monday, like the pompous ass he can be,

pretending—knowing that two days later his minister was going to announce what he announced yesterday.

My leader got thrown out today for calling the Premier a liar. I want to ask this House, what does one call someone who knowingly and deliberately dissembles? What does one call someone when he says one thing about no user fees on Monday, knowing full well that on Wednesday the Minister of Health is going to introduce a user fee? What does one call that? Dissembling? I have a better word for it, but the rules of this House say I cannot use it. He can do it and he can confuse or deliberately dissemble, get grand headlines and stand there, while somebody who calls a spade a spade gets thrown out.

It reminds me of what happened in Sudbury during the election. Some of the members were not around before the last election and there was a strike last fall of interns and residents. The Premier came to Sudbury. I remember Kay McNamara challenging him. At the Tory meeting she broke in on she asked, "Mr. Premier, how is it that doctors can strike?" He stood there and said, "They can't." Why were charges not laid against those doctors and interns as they were against the Canadian Union of Public Employees workers? He said in Sudbury they could not and he knew they could. They got away with it in December 1980.

The Minister of Health is now introducing a deliberate class system in hospitals—first-class citizenship for those who can afford private or semi-private, and second-class citizenship for the rest.

I want to turn to the minister's statement because for gobbledegook I have never seen anything like it. What does he say? "A deficit is going to be seen for what it is, a loss or overspending." What a magnificent observation by the minister. That is a revelation if I ever saw one. What else does he say? "It will fuel a drive for new economic productivity in the health care . . ." Is that what the health care system is about? Is it to raise funds? We will see the hospitals now hiring new people to raise more money.

Hon. Mr. Timbrell: Read the part that says patient care is the prime reason for it all.

Mr. Martel: Yes, I have read the whole thing. It is going to be like the crisis centres for women. I am glad the minister—

Mr. Mackenzie: It is an utter disgrace and you know it.

Hon. Mr. Timbrell: Patient care is the prime reason and you know it.

Mr. Martel: They will spend half their time trying to raise money and not have the time to deliver health care. That is what the minister is doing. What else does the minister say? "Hospitals will be permitted to retain any surplus of revenue over expenditure for use within hospital operations for new programs, for new equipment, for capital building or for other purposes." Who in the hell is paying for it now? The taxpayers of Ontario and of this country. He is putting a user fee on it. They are already paying for those services. What is the matter with him?

Hon. Mr. Timbrell: There is nothing wrong with me.

Mr. Martel: I am going to come to what it is all about because those guys do not have any courage.

Hon. Mr. Timbrell: Did you read it?

Mr. Martel: I have read it.

What else does the minister say? "Likewise, hospital managers in the past have had no incentive to underspend their budget." Oh, they just went out wildly for the last five years, they have been spending like money is going out of style for the last five years. Staffs have been cut. They have just splurged, haven't they? The minister took a shot at every hospital administrator. I hope the hospital boards and the administrators have the courage to say to him, "You take your hospitals back. You take them back and you run them because we are getting out of the business. Let the province run them."

What kind of chintzy operation is it? What kind of chintzy operation—

Hon. Mr. Timbrell: That is in your green paper, as a matter of fact. That is what you advocate. That is your policy paper.

Mr. Martel: Those guys are something else. I would turn it all back to them. What kind of phoney, hypocritical program is this? What else does the minister say? "The rates hospitals may charge for private and semi-private accommodation will no longer be strictly controlled." We have now got preferred accommodation, a class system at its best. The Premier has got a class system now introduced into health care. Boy oh boy, those guys are something to believe.

"Of course, at the same time, we must continue to guarantee a ready supply of standard ward beds." He and I both know that is not going to happen. They are going to reduce the number of wards. Let me see, what does Chief Justice Hall say?

Hon. Mr. Timbrell: He was never chief justice.

Mr. Martel: He says, "This policy and practice of imposing hospital ward charges is an application of the user fee pay concept which is contrary to the principles and spirit of the national health program."

I know what the minister is going to say—"We are not talking about wards." But we are going to move many of those ward beds into semi-private and private. When a person is sick he or she does not give a damn whether they have the money or not, he or she wants treatment and will pay for it.

Hon. Mr. Timbrell: And they will get the treatment.

Mr. Martel: Yes, they will get treatment when they can prove it is an emergency.

Hon. Mr. Timbrell: No, no; that's not the point at all.

Mr. Martel: Oh, no. That is what the fight will be every day from here on in. What hypocrisy. He has introduced a user fee. I am going to tell him about the sham of what he has done and what he is doing. Chief Justice Hall says not to do it. I hope Monique Bégin will have some courage to come down heavy on them. I hope she leans on those beggars like never before. She said, "Our belief is that the integrity of our national program should not be jeopardized by any financial barriers to health care. By that I mean extra billing." I hope she comes down heavy on him.

Hon. Mr. Timbrell: Do you?

Mr. Martel: Yes, I do, because this cannot be tolerated, cannot be allowed. It is a user fee; nothing else.

What he has done is what this Tory government has done so well in the past. If it is universities they get a bunch of Tories at the head of a university and they become the buffer between the government and the public. It is done in boards of education because they have so many candidates running there. They put the school board between the public and the government and the buffer becomes the school board. It becomes a fight between the school board and the teachers. In universities it is between the board and the university staff.

5:50 p.m.

It is the same thing in municipalities. This government is clever. The old, sly Premier did it also in health care. He now has a buffer. We cannot blame the Premier if fees go up for hospital beds. That is local autonomy. If those people in local autonomy want to raise the price

of semi-private and private beds that is their fault. Do not bring the battle to the government of Ontario; they did it. Do not members over there believe in local autonomy? Not a bit, but we do. They use it whenever they can, and they are doing it again. The buffer is now the hospital administrators and the board.

As I wind up, I say I hope the boards in this province have enough integrity, enough morality and enough backbone to say to the Minister of Health, "We are not raising beds one cent for private or semi-private. You are going to fund it and in a fashion you have been trying to. You will have to have some controls but you are going to fund it and if you do not, here is your whole hospital system back, lock, stock and barrel."

I am afraid they will not because boards are dominated by the business establishment in this province. Members should look at the makeup of hospital boards—all nice little Tories prepared to shaft the people out there to protect this government. It is a disgrace and the government knows it.

Mr. Gillies: I am pleased to have the opportunity to join in this very interesting—and I think it is understating it to say exciting—debate on this very important subject. I am indeed disturbed to hear so many misconstructions and wild constructions of various kinds that have been emanating from the members opposite.

I sat quietly and heard the member for Sudbury East a moment ago saying, "I hope Miss Bégin leans on you for all you are worth." That is not what his colleague, the member for Bellwoods (Mr. McClellan), said the other day when we were talking to the federal interns. He agreed with me. This is a very serious matter.

Mr. McClellan: On a point of privilege, Mr. Speaker. If the member wants to distort what I am saying, let it be on the record that it was before I was given the misinformation in the committee there would be no new user fees imposed.

Mr. Mackenzie: We have heard nothing but distortions today.

Mr. Gillies: Mr. Speaker, I do not feel I am distorting it at all. The member will agree it is a serious matter when the federal government cuts back to this extent on funding. Apparently his colleague does not agree with him. That is fine because every party has room for legitimate disagreement.

Earlier we also listened to some of the comments of the Leader of the Opposition. He

said he agreed, somewhat grudgingly, that the movement being taken could increase somewhat the drive for efficiency of individual hospitals.

I have met I do not know how many times with the administration of the Brantford General Hospital. The administrator has told me repeatedly that is one of the more efficient hospitals. He has said to me, "Why should my efficient institution have to carry the load for those institutions that are less efficient?" It has been a constant complaint of that institution; I feel this inequity will be somewhat redressed by the measure being taken.

We hear our friends in the third party refute the position in their green paper a couple of years ago when they suggested hospitals should be returned to the direct control of the province. They did move in their 1978 convention towards regional boards. You cannot have it both ways.

We on this side of the floor believe in the autonomy of the hospital boards to run the business of their institutions within the guidelines set by the province. We believe in the responsibility of the hospital boards chosen by their communities and by the levels of government they represent to run efficient and well-run institutions in this province. And I believe that is what they are doing.

Health care is extremely important. Health care is the single largest expenditure of this government. The health care system in this province has been lauded world wide; it is a model system. It does not matter how much one spends: one cannot legislate good health; one cannot buy good health. One can encourage and foster a system that will lead to good health. That is exactly what we are doing in this province.

We have a fair and equitable system. There has been some suggestion from the members opposite that the move being taken here will somehow restrict access to the system. This is not true. We are not restricting access to the system.

Interjections.

Mr. Speaker: Order.

Mr. Gillies: The minister has said repeatedly in reply to the comments of the Leader of the Opposition if a person has to enter a hospital and if no public ward bed is available and he does not have third-party coverage he will get a semi-private or private room. He will get it.

The Leader of the Opposition interjected a couple of times. The minister said it repeatedly, and finally the Leader of the Opposition came up with the only answer he could have to the bald facts: he left the chamber. The Premier, the Minister of Health and some of my other colleagues have patiently and rationally explained their position on this matter all afternoon. The facts are these—

Interjections.

Mr. Speaker: Order.

Mr. Gillies: Some hospitals are letting their budgets run away from them. Their thinking seems to relate to an era when our economy was growing more rapidly than it is today, in spite of the best efforts of this government to do what it could to ensure the continued prosperity and wellbeing of the people.

In the face of international and national difficulties and uncertainties, Ontario's record of economic management is very good. The man in the street will say the fiscal record of this government is a good one. Members should ask the people in their ridings. They will tell them that in comparison with the federal government and in comparison with any number of other jurisdictions this is a well-run province.

Mr. Martel: Why don't you fight an election on this one?

Mr. Speaker: Order.

Mr. Gillies: The member for Essex South (Mr. Mancini) asked us in the back row of this party why we sought election to this chamber, and I will tell him. First, I sought election to this chamber to represent my people and my constituents. Second, I ran to support a party and a government that has a record of solid achievement: universal health care, a free and open society and a system of equitable justice. I ran for the party that believes in those things; I sit with the party that believes in those things, and I do not need the member for Essex South to ask me why I ran for election to this Legislature. I know why I ran. I am here and I am proud to be here. I would hazard a guess that I might be here just as long as the member opposite, if not longer.

Mr. Mancini: Why don't you carry out those principles then?

Mr. Speaker: Order.

Mr. Gillies: I was frankly quite shocked to see some of these budgetary figures. Until the late 1970s, hospital income and spending province-

wide were in balance. Then in 1979-80 there was a \$12-million deficit. In the last fiscal year the deficit grew to about \$30 million. In this fiscal year the deficit is a staggering \$100 million. Some seem to expect the money will come from some mythical slush fund, that it will just emanate from Queen's Park—do not worry about it. As I said earlier, the more efficient institutions will carry the less efficient institutions on their backs.

Mr. Martel: Who was the government at that time? Was someone else responsible for that?

Mr. Speaker: Order.

6 p.m.

Mr. Gillies: That, let us face it, is not equitable. It is not right. Now there will be some tangible encouragement for the hospital boards to run their operations more efficiently and more properly. At this point in the evolution of our health care system, there is little assurance the budget overruns are directly related to the provision of better health care service.

I see we are coming to the close of the debate. In summary, I would say there are gross misconstructions being placed on the minister's actions and that he is trying to preserve the integrity of our health care system. He has done a good job of it for five years and he will continue to do so.

Mr. Martel: A point of order, Mr. Speaker: I believe the standing rules say there has to be a statement at approximately this time. The reason I raise the matter is there is some question of whether there will be a vote on the report of the select committee on pensions this evening. We should be in a position to announce whether there is going to be a vote or not. I do not see the House leader or the whip here to indicate what is going to occur this evening.

Mr. Speaker: We have not come to orders of the day yet, as you may recall.

ROYAL ASSENT

Mr. Speaker: I beg to inform the House that in the name of Her Majesty the Queen, the Honourable the Lieutenant Governor has been pleased to assent to certain bills in his chambers.

Clerk of the House: The following are the titles of the bills to which His Honour has assented:

Bill 143, An Act to amend the Environmental Protection Act;

Bill 144, An Act to amend the Ontario Water Resources Act;

Bill 145, An Act to amend the Pesticides Act;
Bill 167, An Act to validate Certain Road Closings and Conveyances in the city of Ottawa;

Bill Pr9, An Act to revive Bankfield Consolidated Mines Limited;

Bill Pr15, An Act to revive the Burford Lions Club;

Bill Pr19, An Act to revive Jacinta Investments Limited;

Bill Pr25, An Act respecting the Township of North Dorchester;

Bill Pr31, An Act respecting the City of Kanata;

Bill Pr32, An Act respecting the Town of Bracebridge;

Bill Pr33, An Act respecting the Town of Gravenhurst;

Bill Pr34, An Act respecting the Town of Huntsville;

Bill Pr36, An Act respecting the Township of Chandos;

Bill Pr40, An Act respecting Tordom Corporation.

Mr. Speaker: Quite clearly, standing order 13 says, "Before the adjournment of the House on each Thursday during the session, the government House leader shall announce the business for the following week." We are not going to adjourn the House at this point. It being past six o'clock—

Mr. Martel: A point of order, Mr. Speaker: I am sorry. I do not want to belabour this but I have got to know what in God's name we are going to do tonight. There is a difference of opinion as to whether or not we are going to—how are they going to let their caucus know if it is going to go to a vote tonight? That is the dilemma we are in.

Mr. Speaker: Order. I think the business of the House has been announced as far as—

Hon. Mr. Welch: Mr. Speaker, it is my understanding the government House leader is on his way to the House. I am at some disadvantage. Does the House leader for the third party know what the understanding was for tonight?

Mr. Martel: Mr. Speaker, if I might respond to that: At the House leaders' meeting, there was some discussion as to whether there were recommendations in the report. I could not recall the content of the report and I asked whether there were recommendations. We were advised there were no recommendations.

When there were no recommendations we

agreed to carry on in a normal manner. But there are seven or eight recommendations. I have approached the House leader to try to find out how we are going to conduct the business this evening because, with the recommendations, it changes what the discussion was at the House leaders' meeting. I have been trying since about 3:30 p.m. to find out what was going to transpire.

Hon. Mr. Welch: Mr. Speaker, it is my understanding this debate is now completed according to the rules. Tonight, it was planned, as the honourable House leader for the New Democratic Party indicates and as I read here, to carry on a debate already started on this new report. Some people would like to know at this stage of the game whether there will be a vote tonight because it would influence whether they would come back—

Interjections.

Hon. Mr. Welch: I am sorry no one is here to answer that question.

Mr. Ruston: Mr. Speaker, on a point of order: It was my exact understanding at the House leaders' meeting this morning there would be a debate tonight, and at 10:30 the debate would be adjourned. Maybe someone else—

Interjections.

Mr. Martel: That is not quite—it was agreed it would adjourn then, but that was under the assumption there were no recommendations in the report to be considered. But there are some seven recommendations. The House leader is

now here and maybe we can get some indication.

Hon. Mr. Wells: Mr. Speaker, as I understand it, the matter of concern is what is going to happen at the end of the debate tonight. I cannot inform the House what is going to happen. While it is certainly not the concern of the members what the House leaders discuss at their private meetings, that in no way affects what the members will do. The order of business tonight is a debate on the pensions committee report, which will be called at eight o'clock and we will debate it.

At the present time I have been assessing the number of members who will be speaking. It could be there will be more speakers to speak on this very important report than will allow us to vote, but I do not know at this time. It is nobody's fault. We all went away from a meeting this morning—and it is not really the Speaker's business—believing there would not be a vote tonight. There was nobody asking for a vote tonight. That has to be made very clear. This whole business of whether there would be a vote tonight has come up subsequent to our House leaders' meeting this morning.

All I can say is that the order of business will be called. We will have to assess the length of the speeches and who has to speak. We are going to share the time equally, but all the members of the committee may wish to speak. I am sure my friend would not want to deprive them of having a chance to discuss it.

The House recessed at 6:08 p.m.

CONTENTS

Thursday, December 3, 1981

Oral questions

Welch, Hon. R. S., Minister of Energy:

Ontario energy investment, Mr. Smith, Mr. Cassidy, Mr. T. P. Reid. 4137

Timbrell, Hon. D. R., Minister of Health:

Hospital services, Mr. Smith, Mr. McClellan, Mr. Sweeney. 4141

Davis, Hon. W. G., Premier:

Hospital services, Mr. Cassidy, Mr. Smith, Mr. McClellan. 4143

Awarding of contract, Mr. Foulds. 4148

Henderson, Hon. L. C., Minister of Agriculture and Food:

Assistance to farmers, Mr. Riddell, Mr. Sargent, Mr. MacDonald. 4144

Wiseman, Hon. D. J., Minister of Government Services:

Land surveys, Mr. Mancini. 4146

Elgie, Hon. R. G., Minister of Labour:

Coke oven emissions, Mr. Wildman, Mr. Mackenzie. 4146

Grossman, Hon. L. S., Minister of Industry and Tourism:

Automotive parts technology centre, Mr. Bradley, Mr. Swart. 4147

Reports

Standing committee on social development, Mr. Gillies, tabled. 4148

Standing committee on social development, Mr. Gillies, adopted. 4148

Standing committee on administration of justice, Mr. Treleaven, adopted. 4149

First reading

George R. Gardiner Museum of Ceramic Art Act, Bill 183, Mr. Baetz, agreed to. 4149

Private member's motion

Motion to suspend normal business, Mr. Smith, Mr. McClellan, Mr. Timbrell. 4150

Hospital services, Mr. Smith, Mr. McClellan, Mr. Timbrell, Mr. Van Horne, Mr. R. F. Johnston, Mr. Jones, Mr. Conway, Mr. Foulds, Mr. Harris, Mr. Wrye, Mr. Breaugh, Mr. Robinson, Mr. Mancini, Mr. Martel, Mr. Gillies. 4152

Other business

Written questions, Mr. T. P. Reid. 4137

Royal assent, the Honourable the Lieutenant Governor. 4178

Recess. 4179

SPEAKERS IN THIS ISSUE

Baetz, Hon. R. C.; Minister of Culture and Recreation (Ottawa West PC)
Barlow, W. W. (Cambridge PC)
Bernier, Hon. L.; Minister of Northern Affairs (Kenora PC)
Boudria, D. (Prescott-Russell L)
Bradley, J. J. (St. Catharines L)
Breagh, M. J. (Oshawa NDP)
Cassidy, M. (Ottawa Centre NDP)
Conway, S. G. (Renfrew North L)
Cooke, D. S. (Windsor-Riverside NDP)
Cousens, D.; Acting Speaker (York Centre PC)
Cureatz, S. L.; Deputy Speaker (Durham East PC)
Davis, Hon. W. G.; Premier (Brampton PC)
Elgie, Hon. R. G.; Minister of Labour (York East PC)
Foulds, J. F. (Port Arthur NDP)
Gillies, P. A. (Brantford PC)
Grossman, Hon. L. S.; Minister of Industry and Tourism (St. Andrew-St. Patrick PC)
Harris, M. D. (Nipissing PC)
Henderson, Hon. L. C.; Minister of Agriculture and Food (Lambton PC)
Johnston, R. F. (Scarborough West NDP)
Jones, T. (Mississauga North PC)
MacDonald, D. C. (York South NDP)
Mackenzie, R. W. (Hamilton East NDP)
Mancini, R. (Essex South L)
Martel, E. W. (Sudbury East NDP)
McClellan, R. A. (Bellwoods NDP)
Newman, B. (Windsor-Walkerville L)
Reid, T. P. (Rainy River L-Lab.)
Renwick, J. A. (Riverdale NDP)
Riddell, J. K. (Huron-Middlesex L)
Robinson, A. M. (Scarborough-Ellesmere PC)
Ruston, R. F. (Essex North L)
Sargent, E. C. (Grey-Bruce L)
Smith, S. L. (Hamilton West L)
Stokes, J. E. (Lake Nipigon NDP)
Sweeney, J. (Kitchener-Wilmot L)
Timbrell, Hon. D. R.; Minister of Health (Don Mills PC)
Turner, Hon. J. M.; Speaker (Peterborough PC)
Van Horne, R. G. (London North L)
Watson, A. N. (Chatham-Kent PC)
Welch, Hon. R. S.; Minister of Energy (Brock PC)
Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)
Wildman, B. (Algoma NDP)
Wiseman, Hon. D. J.; Minister of Government Services (Lanark PC)
Wrye, W. M. (Windsor-Sandwich L)



Ontario. LEGISLATIVE ASSEMBLY

No. 117

Legislature of Ontario Debates

Official Report (Hansard)



First Session, Thirty-Second Parliament

Thursday, December 3, 1981

Evening Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Thursday, December 3, 1981

The House resumed at 8 p.m.

Hon. Mr. Gregory: Mr. Speaker, before the orders of the day, the House leaders had discussed the debate this evening and agreed that the time would be shared equally by the three parties and that we would ask the table to keep track of the time. I assume it would be approximately 50 minutes for each party.

ORDERS OF THE DAY

SELECT COMMITTEE ON PENSIONS

Resuming the adjourned debate on the motion for adoption of the recommendations contained in the first report of the select committee on pensions.

Mr. Williams: Mr. Speaker, I consider it an honour to start off the debate this evening on the interim report of the select committee on pensions as the vice-chairman of the committee. It is regrettable that our chairman, the member for Prince Edward-Lennox (Mr. J. A. Taylor), had a commitment which took him away from the Legislature this evening and that he was unable to participate in the debate. So it is my privilege to lead off the debate in his place.

I think, first and foremost, it is somewhat misleading for a person who looks at the interim report of the select committee if one considers the terms of reference. Of all of the select committees I have had an opportunity to participate in and be a member of since I became a member of this Legislature, I cannot recall a committee report that had such brief terms of reference. In fact, it is a one-liner, so to speak, because our terms of reference are simply that a select committee of this House be appointed to inquire into and review the recommendations of the report of the Royal Commission on the Status of Pensions in Ontario and make recommendations as appropriate.

I say they are misleading because in that simple direction is couched a very onerous responsibility, which charges the members of the committee with dealing with a very complex and involved issue, perhaps an issue more complex and more involved than any other that has been assigned to a select committee of this Legislature in recent times. It is in that sense that I suggest it is misleading.

As I am sure other members will do, as has been done publicly in so many other forums by so many other people, I have to commend the royal commission, its chairman, Donna Haley, and its members in coming forward with such a profound and comprehensive report as the royal commission report. It has presented a real challenge to members of this select committee. It is our fondest hope that we will be able to live up to the responsibilities of coming forward with recommendations based on the substance of that royal commission report.

As members of the Legislature will appreciate, this is an interim report, and one that was brought forward in record time considering the various and many aspects and facets of this issue. The committee was able through its summer sittings to come forward with some recommendations that were, if I could say, of a less controversial nature. They are 18 in number, and are set out and summarized in the back of the report itself.

As is stated throughout the report, there are many other major areas of concern that the members of the committee have yet to address. It is not that we have not already considered many of the other major issues upon which we have as yet not been able to make recommendations, but simply that the scope of those issues and their complexities defy our ability to deal with them in that short time period.

Consequently, in order to show to the people of the province and those people throughout the country, the citizenry who are involved in the pension issue, that real progress is being made in this area, we felt it important to come forward at this time with some specific recommendations, albeit that are contained only in an interim report and that do not in any way deal completely with the issue.

I think it is interesting and encouraging to see that already the recommendations which we have brought forward have been recognized by the Treasurer of Ontario (Mr. F. S. Miller). It is interesting too, to see that the private sector is responding quickly, and I think in a responsible way, to the activities of our committee. We recognize that what this committee recommends may in large measure chart new directions for

pension reform in this country that will impact on our society, not only within Ontario but throughout the whole of the country, through the end of this century and well into the twenty-first century.

It is with this real sense of responsibility that we have taken up the challenge and in taking up that challenge we have, in effect, thrown down the gauntlet to the private sector and I suppose to other levels of government as well, to consider what approaches we are taking to this very important social issue.

I say it is of interest to note that the Treasurer has made recent pronouncements that indicate our current recommendations have not gone unnoticed. It is interesting that since the report was issued on November 3, no less than two major pension conferences have been held within the Metropolitan Toronto area alone, indicating the high degree of interest being shown in this subject in the private sector, sparked in large measure, I suggest, by the activities of our committee.

8:10 p.m.

The Canadian Pension Conference held a pension seminar on November 5, and I know a number of the members of our committee attended another pension conference on November 16 and 17 that was sponsored by the Financial Executives Institute Canada. It was at that latter conference I noted that the Treasurer made some comments and indicated support for a number of the recommendations made in our interim report. The Treasurer has indicated support for the concept of the vesting and locking in of pensions after five years of service. He also indicates support for the employer paying one half of the deferred benefit for mobile employees who contribute more to the plan than their deferred benefit. He recognizes the legitimacy of the payment of reasonable interest rates on withdrawn contributions.

Of very significant importance is the fact that he has shown support—at least if we can take his comments at that conference at face value, and I think we must—for pension adjustments financed on the excess interest philosophy, which is a principle our own committee has also shown support for. Further, the minister has shown support for a mandatory spousal benefit for all plans and, last but not least, support for a locked-in registered retirement savings plan to improve portability, if we should go one of the three routes open to us; namely, opening up the area of pension reform to the initiative of the private sector.

The limited time available to us this evening, based on the arrangements for sharing of time on the debate, precludes any of us from going in any great depth into the 18 recommendations and, indeed, into those other major recommendations that have yet to come forward. With regard to the interim report, there was, as indicated, general concurrence therein, save and except with regard to one of the recommendations. It is regrettable that the recommendation about which there was some difference of opinion, and which led to a minority opinion being registered with regard to the report, sparked some controversy when the report was first introduced into the Legislature.

As one who participated in the dissenting opinion, I would want in the few moments remaining to me simply to set the issue straight and, for the purposes of the record, indicate the reasons for seeing the need to file a minority position with regard to the second recommendation. That second recommendation in the interim report provides that until changes can be made to increase the guaranteed income supplement as recommended, the government of Ontario should increase without delay the payment for the guaranteed annual income system to bring single persons up to the adequacy level of available income recommended for the year in which the increase is made.

This particular second recommendation complements the first recommendation, which was unanimously supported by all members of the committee without any equivocation or qualification whatsoever. It is that first recommendation, of course, that recognizes the plight of the single persons in our society who are living in a state of less than what appears to be adequate income.

The first recommendation was, "The government of Ontario should by immediate negotiation seek to increase basic payment levels of the guaranteed income supplement to remedy any inadequacy in the level of available income received by single persons and to implement the recommended ratio between single and married persons without delay so that the single person receives about 60 per cent of the amount that a married couple receives." This had the full and unanimous support of all members of the committee.

The reason for the dissension with regard to the complementary second recommendation was that, in the minds of some of us on the committee, there was not sufficient information before the committee of a financial nature that

could justify the committee drawing the conclusion that the province, while it might be desirable for it to proceed on its own initiative, had the financial capability or capacity to do so.

There is nothing, either in the summary of the royal commission report or in the supporting backup documents, that really spells out the full cost of Ontario going on its own by enriching the guaranteed annual income system without benefit of complementary support from the federal program under the GIS.

This is what gave some members of the committee a great deal of concern, because we felt there had not been adequate time or information made available to assess clearly the ability of the province to do something we would desire to do but were not aware whether we had the financial ability to do.

As a committee, to preserve our integrity as ones who had looked at these issues closely, I think we had to be able to justify making that recommendation and fortifying it by constructive action we know could be attainable by virtue of the financial resources of Ontario. Those resources and the ability to make them available were at the very least not known to exist to us, based on what sketchy information we had.

It is interesting to note, in concluding on this point, that even within the body of the backup volumes of the royal commission report, the commission itself conceded, in dealing with the cost considerations of enriching the Gains program, "Because of the difficulty in calculating partial payment levels, the commission did not undertake the extensive work involved in making estimates for increased costs, but there undoubtedly will be an increase in costs that will not be welcome in a time of government spending restraint."

That seemed to be the sum total and substance of the financial analysis of what the consequences would be of implementing recommendation two. It appears that not even the royal commission had an opportunity to calculate those costs clearly and thoroughly so as to give the members of the select committee an opportunity to make an informed opinion as to our ability actually to act upon such a recommendation as set out in recommendation two.

For those reasons, I wanted to set out why it was felt necessary to raise a caution with regard to recommendation two because there is no evidence that we could implement that recommendation, desirous as it may be, without joint venturing with the federal authorities by com-

parable expansion of the GIS program, which is what I think is being called for, not only on a provincial but on a national basis.

I think this province would be one of the first to support an expansion of the GIS program with Gains being complementary to it, but I do not think it can be handled in a reverse order. It is for that reason we felt it imperative to introduce that dissenting opinion.

I understand we each have approximately 15 minutes and, for that reason, regrettably I have to terminate my remarks at this time. I am sure an opportunity will arise in future when I can elaborate further on other main features of the report. At this point, I am looking forward to the success we have achieved to date. I look forward to working with all committee members in the new year to, hopefully, come forth with a final report that will give new direction and impetus to pension reform in this province.

8:20 p.m.

Mr. Peterson: Mr. Speaker, I am very happy to rise on behalf of my party. Not all the things I say at this point are necessarily a party position. I am sure my colleague who will be speaking tonight may have a different emphasis on certain other points. I am most happy to have this debate in the House tonight.

I am one of those people who has been intimately involved with this subject for a number of years. The member for Armourdale (Mr. McCaffrey), now the Minister without Portfolio, is another member who has taken a great interest. Increasingly, I see an augmentation of interest in this whole area. No doubt this issue is terribly significant to the future of this province and this country.

I have quoted Grant Reuber before, former chairman of the Ontario Economic Council, former Deputy Minister of Finance, former vice-president of the University of Western Ontario and presently vice-president of the Bank of Montreal. I remember he once told me the whole pension question is of more significance than the energy question for the future of this country. I think it must be seen in those terms.

The problem is its incredible complexity. Frankly, it is beyond the grasp of most people and even those of us who have studied this for a while and have been involved in the select committee hearings had difficulty with a lot of the complex issues involved. Of course, it is boring. My friend the member for Oriole just proved that. It is not a very exciting subject.

I come to you at the outset, Mr. Speaker,

saying I enjoyed the experience very much and I enjoyed participating in that committee with you. I thought it functioned well and was a relatively nonpartisan group. Even though my friends to the left considered themselves the official spokesmen for the Ontario Federation of Labour and the Canadian Labour Congress at the time, nevertheless, it was a constructive and worthwhile exercise for all of us. I enjoyed not only the experience, but getting to know some of the members from your side, Mr. Speaker, whom I did not know before. We worked together to solve difficult issues, not just now but in the future.

I would be remiss at the beginning if I did not pay credit to a person I consider an absolutely first-class civil servant and one to whom I owe a great debt. He is Wells Bentley. He was a magnificent man to work with and I admire him greatly. I was so grateful for his very didactic way. He instructed and taught us all very well. He was most patient with our repetitious questions, and he was of immeasurable benefit and help to that committee.

I had quoted Wells on numerous occasions before but I did not really know I had done so. He said the complete pension system in Ontario is a mess. I quoted that in the House one day and Wells was not very happy about that quotation. He said it got him into trouble a little later, but he is the first one to admit it.

He is the first one who has been working hard not only in this province but across the country to bring some order to this disorganized subject. I just want to say again what a great privilege it was to work with Wells Bentley. He is a testament to something I believe in, that there should not be compulsory retirement at age 65. Wells is about to retire, yet he is as active and nimble now as he ever was. He is one of those civil servants I would like to urge and beg to come back and stay with this province for years to come, to work with us to implement some of the proposals we have been dealing with so far.

As we all recognize in this committee report, we do not have the answer for a number of issues. We are not terribly sure at this time. We still have to wrestle with the problem. We want the pension commission to review some issues in a year or two or three to make sure we did not make a mistake. I think there would be no more able captain for that ship as we go through this period of major change and evolution of the system than Wells. I just wanted to say that again publicly, and I am sure every member

shares my view. It was a pleasure working with the man. I think he should have our great gratitude.

Another thing I want to say at this time is what a pleasure it was to work with Richard Jennings from the library staff. To me, it was an example of the library functioning as it should in this House. He was a first-rate, able, young researcher; he was with the committee, grasped the issues and was able to come up with the information we all needed and requested—and some of the requests were outrageous, but he always delivered on them. He made sense and order out of a lot of intellectual perambulation. I am grateful to him.

I understand he has left the library service and has been co-opted by a ministry. I am sorry to hear that, because it would have been fun to work with him the next go-round also. I think he did a fine job of putting this report in order, and Richard deserves our credit and respect.

I should say also I found that every single witness, including the civil servants who worked with us in a nonpartisan, decent and open way, was wrestling with the problems as we were. Nobody has the single answer to any of these questions. There are a lot of imponderables. There are a lot of calculations we cannot make. There are a lot of things that come back to our basic philosophy in the way we view our present responsibility as well as our future responsibility.

We are all very cognizant that the things we do now have the potential to bind future generations very much. We are all very conscious that we have the right as legislators now to create legal obligations that may or may not be worth while in the future and may financially bind the people who come after us so tightly that we might bankrupt them or put them in a position where they would be not be able to deliver on the legal obligations we have legislatively created.

I believe that makes us all approach this subject with some caution, to make sure that what we are doing not only is right now but also will be right 10, 20, 30, 40 and 50 years from now. This is one of those few subjects that we as legislators deal with that do bind people for that long.

It takes so long to fully fund a program. The provincial universal retirement system, for example, if we happen to go for that, and that has yet to be determined, will take 47 years to mature. That is a staggeringly long time in terms of the current problems and the poverty of a number

of retirees today. At the same time, we have an obligation not to bankrupt future generations or create such massive intergenerational transfers of wealth that we are being unfair to one generation at the expense of another.

I am conscious of those kinds of considerations. But, ultimately, all of us have to look to our political or philosophical predisposition when we make a determination of some of these thorny gut questions, only a few of which the consequences are economic and many of which are social.

From that point of view, I say again what a pleasure it was to participate in this committee. I guess my only regret at this time is that it looks unlikely that I am going to be able to participate in the next session. I regret that very much, because in many ways the next session is going to be the most interesting one.

We have a minor dissent on this report. I am convinced at this point that we will have a major dissent on the next issue. I think I already know the position of some of my colleagues, particularly those to the left, on some of the very major questions, and some other people on the committee have not really quite made up their minds yet, because all of the various options are attractive from a number of different points of view.

I say with some regret that I do not see a unanimous report coming out of that committee. Probably to some extent that will diminish the efficacy or the power of that report, because we must remember that people are looking to Ontario for leadership. They were looking to Wells Bentley for leadership, and he has provided that on a national basis. There are many other jurisdictions wrestling with these questions.

The Haley commission, upon which we based our report, was a first-rate piece of work. I disagree with some of the conclusions, but let me say that in terms of analysis, the work done and, by and large, the studies undertaken, it was a creative, interesting and profound piece of new work. I think Donna Haley and her commissioners have to be complimented on the way they came to grips with this issue.

8:30 p.m.

Our job was to criticize that and put it into a politically workable form, vetted by all three parties on a nonpartisan basis so that we could make it go. Ontario has been the leader and I am proud to say that. I think a lot of people are looking at the select committee report to see what the politicians were going to do with a

report of this kind and what we feel is a politically workable, as well as a socially and economically responsible response to some of these major problems we all face.

One of the things that was impressed upon all of us, and I think I can say this without reservation, was the need for uniformity across this province. I know some people do not believe we will ever have uniformity, that this country of ours is too wide, diverse, varied and with too many different and special needs, so that we will never have uniform legislation.

I have not given up that hope. I very much hope that ultimately we will be able to get a completely portable system right across this country so that, if one moves a private pension plan around this country, one will never have the problems that are potentially inherent in the system now. As we already know, there are a number of jurisdictions that do not have any pension legislation whatsoever.

I hope we can be constructive in the national discussion and debate on these issues. I hope the Ontario select committee is looked at from that point of view because it was probably one place where there was absolute agreement, without reservation, that we should be putting a great deal of emphasis. I think no one will dispute my point of view.

Let me talk about some of the recommendations. I want to talk about the ones we did not deal with first and then I will talk about the ones we have dealt with. Let us say at the beginning that we dealt with the easy ones. There are some variations on this, but essentially we dealt with changes in the pension benefits legislation in Ontario. We worked hard as members of the committee, at this point at least, to develop some degree of unanimity. I guess that always comes around the easiest issues where we believe there should be changes in the legislation.

We dealt essentially with the private pension industry. We have no recommendations with respect to the big, gut issues like coverage. We do not know at this point the extent of the coverage issue. A lot of people argue only 40 per cent of the work force is covered by private pension plans. There are other people who argue 80 per cent are covered because one must take a much broader definition of a pension or an income replacement scheme. Some people would argue their house, small business or farm is. There are registered retirement savings plans or a variety of other devices that people with their own ingenuity develop with their own resources.

They would argue, "Does the state have a role in forcing people to save in a compulsory plan when, in contemporary terms, they have different needs and priorities for their own spending?" Today, in particular, when we know the incredible economic problems faced by a large number of people in this country and in this province, would we have the right to go to any man or woman working in this province and say: "You must give me another two, three or five per cent of your income. I am going to make you put it in a pot and I am going to save it for you for another 40 years and you will get it then and not before."

Meanwhile, he does not have enough bread on the table to feed his family. Those are the kinds of important decisions we are going to have to make with respect to the coverage issue in the near future. I heard a little chirping from my friends in the New Democratic Party. It is my friend the member for Bellwoods (Mr. McClellan).

Mr. McClellan: We were just trying to figure out if we are going to vote tonight.

Mr. Peterson: I know his position. I might as well give his speech right now and I will save the members the pain of listening to him.

Mr. McClellan: You do not know my position at all.

Mr. Peterson: I knew his position two minutes after he walked into the committee. It did not change, did not mature and did not improve over the whole length of those committee hearings.

Mr. McClellan: How would you know? You were never there.

Mr. Peterson: I was being unfair. I have a great deal of respect for the member for Bellwoods. I enjoyed sitting on the committee with him and I learned a lot from him in the course of those three months or whatever it was. It is just that he is wrong on most of the issues. That is the only problem.

I want to talk briefly about the Canada pension plan. It is no surprise that our Socialist friends will talk about a doubling of the CPP. I am sure we will hear that tonight, because I heard it almost every damned day we sat in the committee, just as my friend heard from me about the great rape of the pension plans. He got sick of me and I got sick of him, but that does not really matter all that much.

I have some very serious concerns about the funding of the Canada pension plan and the disposition of those funds over the last decade

and a half or so since the inception of the plan. There has been a great deal of equivocation on this whole issue. It is public knowledge that up the provinces have borrowed some \$16 billion—is my figure correct?—from the Canada pension plan, and it appears at this point that it is not going to be paid back.

I have already advanced what I call the availability-fed demand thesis, that the governments—the chief offender, of course, was the government of Ontario—saw this great pot of money available to them, and they spent up to that. The net cash requirements almost totalled the internally generated pension plans they had at their disposal to spend in any given year. There is an uncanny resemblance between the amount available and the amount spent. That was not just in the CPP; it was also in the teachers' superannuation fund, the public service fund and a variety of other internal funds.

In any event, for the past decade and a half we have financed the deficit, which is principally a phenomenon of the Premier's (Mr. Davis) regime, and now we are in a position where, at current contribution rates, those funds are in serious financial difficulty.

There are three crossover points, as I am sure members are aware. In 1986, the Canada pension plan will have to start drawing down interest. For the first time it will not be generating enough money; the disbursements will start to exceed the receipts, and they will have to start drawing back the interest that so far has been lent back to the provinces over the past few years. By 1991, they will have to start drawing down the capital, and the question is whether that capital and/or the interest is going to be repaid by the provinces to pay the retirees of that era. By 2003, or a rough approximation thereof, at current contribution rates the fund will have no more money in it.

Some people say that to use the word "bankrupt" is a trifle dramatic. But it seems to me that if a fund has no money in it, then it is bankrupt. Either it will have to increase contribution rates or it will have to lean on the consolidated revenue fund—the general taxpayer—to make up that money. The demographic changes that are taking place in this country, which are producing a rapidly ageing population in which more people are going to be retired and fewer people are going to be working—fewer paying for more, as they say—are the ingredients of a major social problem and/or a major intergenerational transfer of wealth.

The problem with not paying that money back is that we are going to have to move to higher contribution rates at an earlier date. Therefore, the contributor of the late 1980s or the 1990s will be paying for the pensions of those people before they would have had to do it. It is what is known as an intergenerational transfer.

My personal philosophy, and there are some exceptions to it, is that each generation by and large has a responsibility to look after itself. If I want financial security in my old age, it is my responsibility as a producer, my responsibility as someone earning an income, to tailor my consumption so that I can save some for the future. I recognize that this is a privilege not everyone enjoys, because there are a lot of people who cannot save anything and never will be able to save anything. We have a responsibility to make sure those people are always looked after in society in various ways.

One of the confusions that develops in this debate is that we are all terribly concerned about the status of the retired poor today in this country. The report on the status of women last week was a searing indictment of the income support programs in this country. Some 400,000 elderly women in this country, as I recall, are living below the poverty line. Let us make no mistake about: It is primarily the women who have been poorly served by the pension system, and those are the results today. I can tell members very frankly that even if we could change the legislation today, we could not solve that problem.

8:40 p.m.

Because the pension system takes so long to mature, many of those people are not on Canada pension plan anyway. Doubling the Canada pension plan does not solve in toto the coverage problem, because we still have a lot of people who were not in the work force and never qualified—they never worked and never made contributions—and who would not collect any pension regardless of whether it was 100 per cent of the average industrial wage, 50 per cent, or the 25 per cent it is now.

We must target our income support systems to make sure we are looking, with the finite dollars we have at a governmental level, at helping those people who need the help.

That brings us to the first and second recommendations, and I am disappointed in my three colleagues who are dissenting from those two recommendations. The three chaps who dissented are, in order of priority, the vice-chairman of the committee, the member for

Oriole (Mr. Williams); the member for Mississauga North (Mr. Jones), the parliamentary assistant to the Treasurer and Minister of Economics; and my good friend the member for Sarnia (Mr. Brandt). I am disappointed in them. They destroyed some of the efficacy.

There is a very strong statement at the beginning of this report, saying, "We have a critical, immediate and severe problem in this country with the retired poor." We all agreed on that. The statistical evidence was overwhelming, and members will agree with that. We heard from group after group after group that we have a problem. So we said we must move and follow Haley's line exactly, saying: "We must move immediately to rectify that problem and get single retired pensioners in particular up beyond the \$494 a month maximum they get right now." They just cannot live on it. It is that simple.

We said, "We must move immediately." Then it became a technical problem. Is that guaranteed income supplement or Gains, the guaranteed annual income system, or do we fool around and get interprovincial or federal-provincial discussions of this issue? We said, "It is too critical to wait for the federal government." If the federal government comes along in due course, and we expect it will, then the Gains part will be cut back anyway. Let us impress on the government at both levels, particularly the Ontario government, where we all participate and throw in our three cents' worth from day to day: "We have an immediate problem. We must move today. Do not fool around with the dickering over whose responsibility it is. Let's do it. Let's do it today."

There are a lot of things in this report that could be done today that we do not need a lot of discussion on. That is where the Ontario government could show its good faith and compassion and sensitivity. Beyond that, very frankly, the pensioners just cannot live on it. If the mothers of members were living on \$494 a month, the members would be taking money out of their incomes to help them. I would, and so would anybody else in this room. They just cannot live on it, and we have 400,000 of them in this country.

I am very disappointed in my three colleagues on this, because we should have used every bit of influence we have. I am particularly disappointed in the parliamentary assistant, who presumably should have some influence with the Treasurer (Mr. F. S. Miller), in saying we should move now. Similarly, Ontario could move today on the child-rearing dropout provision.

We are one of the two holdouts in this country who have the veto over Canada pension plan amendments. Why are they being so parsimonious and niggardly in that area and holding up progressive pension legislation for the people in other provinces in this country? I will be damned if I can figure out why the province is being so cheap about the whole thing. I have yet to get a decent response from the government. It is not intelligent. It is not difficult. We do not need a lot of studies to figure out. Let us just do it in recognition that we need pension reform.

Mr. Jones: All we need is for MacEachen to honour his commitment at the last pension conference and away we go.

Mr. Peterson: That is guff, blaming the feds. In this case, it is Ontario that is holding up the whole train. If Ontario is going to show any leadership, it can at least move on those two things, where it has complete jurisdiction. It can move immediately and say, "Let us at least show faith in these areas." I am disappointed about that. In those two areas, where we must recognize again, I assert to members again, the biggest problem in the whole pension area is single women and spouses. That is where we should move.

We should move with those income programs. We should move with them now. It is yet to be determined whether they can ever be covered under the Canada pension plan or any other type of program that we may or may not invent. We may always need some income support programs like old age security, the guaranteed income supplement and the guaranteed annual income system to handle those kinds of situations for people who will never qualify under the Canada pension plan unless we go into a universal system.

Let us recognize as humane people, all of us, that we have that obligation, and let us not nitpick over who should do it first. I am disappointed, I really am disappointed.

Let me talk about a couple of other things.

Mr. Williams: You just forgot the cost factor, David. That is all.

Mr. Peterson: Oh, come on. Does my friend want to talk about Suncor, the interest on Suncor? For a fraction of it, we could have solved this immediate social problem.

I want to talk about the pension benefits legislation. That is a complicated act, Mr. Speaker, as you very well know. As we crawl through it, I am very happy we got some basic agreement, particularly on vesting. I guess it

seemed fairly generous at the time the legislation was created. I do not know when that was; do members remember the date when the original Pension Benefits Act established 45 and 10 years as the point at which one could receive vested benefits.

So many workers who moved from job to job lost the employer's contribution; it was really a tragedy. The world has changed very dramatically. Now, the mobility of labour is a well-established fact and a sociological phenomenon. We must move to meet that.

I must say very frankly, in personal terms, the view that pensions are deferred wages is an issue of some controversy. Some people believe they are deferred wages; some people do not quite believe they are deferred wages. There are different points of view on that. I tend to believe that they are; at least that is the philosophical base from which one should start the discussion.

One would go to immediate vesting. I do not know why pension plans are not immediately vested, except for the cost factor and that it would be such a rude shock to the system; it would be too much to swallow in one year. We agreed on a compromise, as was done in other jurisdictions. This was moved to vesting after five years' service—it seemed to be a reasonable way to start the whole discussion—which will entitle a pensioner or person to the employer's contribution plus a certain fixed return upon termination of his employment. It is in the recommendations.

I think that is fair and reasonable in the circumstances. Of course, as members will notice in recommendation five, we have asked the Pension Commission of Ontario to review the results of this change in three years with a view towards moving to an earlier system. I guess we got half a loaf; it was constructive, a reasonable compromise. But I would hope, ultimately, we would move to a much earlier vesting period because, on the view of deferred wages, it follows that it should be immediately vested.

Of course, we will look forward to that progress, and I wish Wells Bentley were here to supervise that. A number of technical suggestions are in there, such as what the employer's contribution should be, in recommendations seven, eight and nine, and in recommendation 10 there are certain options that are available, should a person so desire.

We talked about survivorship and the right of survivors in the pension area. Of course, it is another area where there have been very

serious problems in this country. We know so many people getting a reasonable pension where the chap died and his wife was left in penury, particularly if she was not working or did not have any other support systems.

We think the joint and last survivor level should be in the 60 per cent level at least, unless there is a sign-up, and made mandatory. I support that and I think recognizing the reality that wives tend to live longer, and with so many of them in absolute poverty today, is very important.

As I said at the beginning of my speech, and all of us recognize it, this is a terribly complex subject. I am happy with the amount of discussion the whole pension issue is getting in the press. I venture to say, if you walk down the street, probably two in 100 people would not really know what vesting is or a lot of the other words that we use in these discussions.

8:50 p.m.

But we must start. Fortunately, six or nine months ago the Minister of Community and Social Services (Mr. Drea) brought in Bill 14, I believe, on disclosure, a number of regulations on disclosure. I was very happy about that, because I was one of the people in the House who was pushing for disclosure as at least the minimum first step towards a public discussion of these issues.

I want to attempt to simplify this very complex subject by at least having it made obligatory that every person who is entitled to a pension should get some sort of standard form every year which tells him how much he has contributed, how much his employer has contributed, the rate of return his pension fund is earning, how much his expected pension will be if he works at that firm until age 65, how much his pension will be if he leaves before age 65, the performance of the fund, the actuarial assumptions and a variety of other things in plain, simple language so that everyone can get involved in this debate.

The great tragedy is that young people do not care about pensions. Almost all of us agree on that. The average young person who is working is more concerned about making the down payment on his car or his house, feeding his family or developing a stake in society in one way or another. It is only when one reaches 40, 45 or 50, or when one is confronted with one's own mortality, that one says: "Good God! How am I going to feed myself when I am 65 years old or however old I will be when I retire?" Then there seems to be a new sensitivity to these

issues, and a number of people say at that point, "Gee, I wish I had started salting money away a little earlier."

We as legislators always have to decide at which point we force people to contribute to their own security. There are a number of division points. Some people think we should give them a free ride until they are 30; 35 is another matter. When they are 35, because they are getting older, they will start caring more about income security or income replacement; then we can start charging them, or we can charge them a differential, a lesser rate at a young age and a higher rate at an older age.

In any event, people get serious about these matters only when they get older, and a great number of people look at that with great regret and say, "My God! Why did I not think about this question 10 or 20 years earlier?"

That is why, as I see it, we all have a major responsibility. I want to see very tough disclosure; I think it is the employer's responsibility. I want to see a standard form. I would like to see it right across this country so that when people get their pension slips from their employers they will understand what they mean and what they have, just as they understand when they get their T-4 forms. It is one of those pieces of paper people will file in the special case where they put their important papers, and they will know what they are entitled to and what their wives or survivors will be entitled to.

I hope something will develop in that area. We have been pretty progressive in that area. The standard forms are not quite developed, as I understand it, and we are working on it.

How long have I spoken?

The Acting Speaker (Mr. Cousens): The honourable member has already used 33 minutes.

Mr. Peterson: I have used 33 minutes? Sorry. I am just going to wind up, because I do not want to cut into my colleagues' time.

I am very happy about recommendation 15, about allowing at least one of the employees or pensioners to be a member of the body directing the affairs of the pension. I think that is progressive; I think it is fair. Good God! It is their money. I am surprised we did not go for an even higher percentage.

Because of the nature of some of these boards, I would argue in a lot of cases that the money should be given over to the pensioners and they should be allowed to administer it. It is their money, and there is a finite amount of

money. We are not going to make up any shortfalls. If they want to run it, that is their problem if they can get a higher rate of return.

However, at least this seemed like one reasonable compromise to ensure legislatively that at least one member of the employees' group is going to be a member of the committee directing the affairs of that pension group. That is fair; it is democratic. It is, frankly, very late getting established; it should have been done a long time ago.

Of course, that is one of the things that has evolved with the change of philosophy about pensions. It used to be a function of the employer's beneficence. If you had a really nice employer, he might or might not give you a pension and he might or might not charge you for it. Today, of course, it is a deserved, earned, recognized and often bargained-for right, and we have to look upon it in those terms.

For all intents and purposes, they almost should have a property right in that fund that is theirs, and they should have influence over how that is disposed.

I have one last thing to say and then I will sit down, because there is a lot more I could say about the things that were not in the report. I will save that for my speech next spring when the second committee comes back.

I am very happy that we wrestled with the problem of augmentation, indexation or whatever else one wants to call it. Frankly, I am one of those people who is not very happy with indexation. It tends to be a cop-out for governments in so many ways. Rather than dealing with the availability of resources at any given time, they just automatically index and get us off the government's back so they does not have to deal with it.

What we have often seen, particularly with high interest rates when funds were earning a disproportionately great amount of money or high return, is that they were using that money to cut back on their own contributions to the pension funds. It was a windfall benefit for the employers in a number of cases. We have come to grips with that and said, "Okay, we are not going to go for automatic indexation to the rate of inflation or any other factor or index."

We believe the funds have a responsibility, at least in some measure, to keep up with inflation, and hence we arrived upon a generally accepted principle called the excess interest principle. It is now used in a number of funds and tends to work. It does not bind the funds to the function of performance, but at least it keeps the

employer from using windfall profits in the fund to reduce his contribution to that fund. I think it is a fair, sensible way of dealing with it. It does not strap employers, but at the same time it guarantees—or it is hoped it guarantees, depending on the performance of the fund—some degree of inflation protection.

I know people in my own riding who retired from Canadian National Railways in 1967 or 1968; they had a pretty healthy pension then of \$280. I forget the exact figure, but it seemed pretty good in 1968. Today, they are still receiving almost the same amount of money; they just cannot live on it. We must recognize those realities. We are into high inflation, but high inflation also brings higher returns for pension funds; therefore, that has to be shared equally across the board with all the participants in that fund.

I am glad we wrestled with that. I am happy with our recommendation and it is to be hoped that will come forward in the next little while.

I keep saying I have only one other thing to say, but one other thing we did not deal with here was the portability question. I will have a chance to argue this later, but I am one of those people who believes that if we legislate portability tomorrow, we would have portability tomorrow. I do not think it is nearly as complicated as a lot of people say it is.

As long as we value the contribution in, the same way as we value them out, we could legislatively force portability between almost any types of plan. Failing that, at least we could allow people to take it out and put it into a locked registered retirement savings plan vehicle. We would have something to make sure that people are not losing as job mobility becomes increasingly a common phenomenon in the labour market today.

I have used up my time. I wish I could talk some more on some of the great public issues. Again, I want to tell you, Mr. Speaker, how much I enjoyed the committee and how much I enjoyed this issue. I think it is an important one, and I think it is important for us. I think it is important for tomorrow; and it will be important 10, 20 and 30 years from now. I feel privileged to have been able to have participated in this committee with the very fine people who were working with it.

Mr. Mackenzie: Mr. Speaker, I will try to allow more than 10 minutes for my colleagues or I will get shot, I am sure, standing in this House. I understand that each party has only 50 minutes to speak on it.

I too felt very happy with the kind of counsel we had: Wells Bentley, for the work he did with us; Richard Jennings, the committee research officer, whose work was first-rate and who did an absolutely excellent job in summarizing and getting to the meat of the various arguments that had been made with us and pulling the material together; and Graham White, the clerk of the committee through the sessions we had. Some of the subsequent events may have been a little rough for Mr. White, but I think we were well served by Mr. Bentley, Mr. Jennings and Mr. White.

9 p.m.

As reactionary as I found him at times, I appreciated the chairman of the committee, the member for Prince Edward-Lennox (Mr. J. A. Taylor). I think he tried to play a fair role in chairing the committee. I wish some of his colleagues had been as open-minded as he was.

I was interested in the comment of the Liberal critic that he knew exactly where the New Democrats on the committee stood and that our position never changed. Of course, he attributed it to inflexibility. It is important to recognize the real story on that. There was a philosophy and a position in terms of pensions for people that for many years we wanted and had fought for. We knew where we were going and what we wanted. It was not difficult to lay on our arguments when we had that kind of philosophical base.

I think the problem my friend in the Liberal Party had was that he knew we had to improve pensions, but how in blazes could he deal with ordinary people and the need for better pension plans while still keeping friendly with his friends in the insurance business and the pension industry? That was the real problem he faced: how he could skate. I do not think that was a position we were ever faced with in our caucus and in our participation on this committee.

We were faced first with the obvious position that the pensions in this country were inadequate. There are some particularly serious areas of concern. Canada's pension system at the moment simply does not pass the tests of adequacy and equity. More than half of all Canadians over the age of 65 are compelled to apply for benefits under the welfare-tainted guaranteed income supplement program. That is a sad commentary on this country of ours.

The inadequacy shows as well in a figure we could not get. The last time I talked to Mr. Bentley, he said it was probably closer to 20 per cent than the 10 to 15 per cent I had quoted from

a Canadian Congress of Labour study of a good many years ago when it first got into a campaign for universal pension plans. That study showed that 10 to 15 per cent of Canadian workers actually got the value out of any pension plans they were in.

That comes about because we usually have a combination of 10 years of service and 45 years of age, a 55 combination. The average Canadian worker may move as many as five, six or seven times; so he never qualifies to get the full benefits of his pension. He would get his own money back, sometimes with interest, but he never picked up the money from the company on that plan.

The figure is still not clear, but it is somewhere in the 10 to 20 per cent range. That is all one ever really gets out of one's pension fund. This gives us a lot of problems. It did when some of us were serving on the select committee on plant shutdowns and employee adjustment. We found the inadequacy of the pensions left for workers who found themselves out of work.

We also knew we had a particularly serious area of deficiency in terms of single older women. This is where I have some very strong feelings about at least three of my colleagues from the Conservative Party who were on that committee and the position they took.

The evidence was not disputed by anybody. The people who are probably the worst off in our community and who need help most are elderly single women who are living on totally inadequate incomes. That was not just the position of our party. We got it in testimony even from the representatives of the banks, the insurance companies, the trust companies and the pension industry. Even those from the Board of Trade of Metropolitan Toronto, who were probably the most right-wing representatives before us, admitted there was a serious problem in terms of income for this group of people.

The problems were laid out for us quite well. It was apparent early in the committee's discussions that we were not going to resolve, at least in the first stage of the committee's hearings, the fundamental problem of where we should go in terms of universality and portability, a pension that would cover Canadians right across the country and be truly portable, which would ensure that one gets one's pension out when one is ready to retire. That is the fundamental question that is going to split the members of the committee when it meets again early next year. At least I would be very surprised if it does not.

It became obvious that what we were looking at in the initial stages of the committee hearings was what could be done to help people that would, in effect, reform the private pension industry. We felt a lot more strongly than some in the other two parties. We were concerned because of the inadequacies of pensions in this country, the number of people who have to seek supplementary assistance, the plight of elderly women, and the fact that such a small percentage of money put into pensions actually produces a pension one is entitled to when ready to retire. It pointed out to us, at least, the private pension industry had not done the job.

One of the interesting things in the course of the arguments and the presentations we had was the admission that the private industry had not responded to what were obvious problems in terms of pensions in this country. We always got the "but"—and we got it even from our good friend and adviser, Wells Bentley. But we felt if ever there was a time to do something about the private industry it was now, because they knew they had let us down, they were in some trouble and they had not responded adequately and in time to the problems that existed. Now was the time to make some corrections.

We had at least a little bit to go on because a private member's resolution I moved myself almost two years ago was passed in this House. I am not quite sure how it happened and there has been some discussion on it since, but it was early in the stage of private members' bills and debate in this House. That private resolution of mine called for vesting after five years as an improvement in terms of the private plans, for some kind of a central investment agency, and, in terms of companies that go belly up, for some kind of protection for workers' pension plans where they were not adequately funded.

That resolution went through the House, but that is as far as it goes under the system we have when it comes from a private member and from an opposition member in particular. But, as well, that resolution was passed by all three parties in the previous House. When we got into the committee we found there was some area we could agree on, regardless of the more basic differences we had in terms of the major reforms needed in the pension industry in this country.

One pleasant surprise was that all the members agreed. The strange thing is, I guess, the agreement was helped along by the fact this was one of the areas in which the insurance and pension industries knew they were in some

trouble. They all agreed they could go for earlier vesting. By the end of our discussions in committee I was disappointed my resolution of a year or two earlier had said five-year vesting. Had it been a little tougher in the first recommendation I think we might have got it. But we did get a recommendation for vesting after five years, which gives some additional protection to workers who may move to a number of different jobs in the course of their work lives.

Wells Bentley, and I have to give him credit for it, suggested we recommend that the Pension Commission in Ontario review the vesting period after three years with a view, and we were very specific on this, to reducing the vesting period at the time of vesting. I think we have already set the stage for five-year vesting now, and I hope, in three years' time, one-year vesting. That was a fairly major reform in terms of the private pension industry.

The other point we finally nailed down was the fact that there has been some argument, and it has been one of the things that held up earlier vesting for pension plans, over whether pensions were, in effect, moneys that were set aside for pensions for workers, that is, deferred wages. We found also there had been a fair bit of movement in the private institutions that appeared before our committee. If I am not mistaken, the only delegation that flatly said it still had very grave reservations about this principle was the board of trade delegation. There were some real surprises in those groups that said, "Yes, you cannot really argue against it."

That just backed up the argument for earlier vesting. What it really said was that we were probably not very bright in going for the five years. We should have insisted right from day one on one-year vesting, but there was some question as to what costs might be involved in phasing this in.

9:10 p.m.

One of the points in that first report of the committee is not listed as one of the recommendations. It is on page 10 in the select committee on pensions report, but to me it is probably one of the very fundamental positions—that is, that pensions were once thought of as a reward for long and faithful service. However, the current concept of viewing pensions as deferred wages has gained wide acceptance. The adoption of this concept implies many changes in areas such as vesting provisions and employee rights on termination of employment.

I think we nailed that down because it was discussed specifically. I am only now noticing it

was not made as a specific recommendation, although probably it might not fit that category. I think that was an important move as well. We played around with discussions on what the private pension industry and some of the major insurance companies were doing in terms of portability for the plans they had for their workers.

There is probably some area to move, although our recommendations really are nonexistent in the area of portability in the private plans. We did establish the principle that it is the workers' wages that we are dealing with, and therefore he should have the right to it from day one. We did establish the principle that there has to be more worker participation in the private plans they are involved in, and they should have representation on those plans.

We did deal with the vesting problem. A number of the other 18 recommendations are more minor, but certainly probably timely recommendations. We left alone, as I said at the beginning, the basic issue of how do we really get a portable universal pension plan that is adequate for Canadian workers. That is obviously one of the major areas we are going to face in the session that will start shortly.

The other area that upset me no end was the fact that we recognized the total inadequacy of the pensions for single women. The only serious division, although we had a number of good discussions and even the odd slight argument on the committee, was what to do regarding the total inadequacy of income for older single women who are in desperate straits. If members have a constituency office that is doing any work for people at all they doggone well know that is the case in this province.

We did argue. It is not a fact that we did not look at some of the alternatives, as is suggested, if I am reading correctly, by the dissent from three of the Tory members. We did discuss whether or not we should go after the federal authorities, or whether it was a joint venture and how to achieve the kind of funding that was needed to provide the additional income.

The one thing that was very clear was that there was a desperate need there, and it was attested to by every single group that came before us. The basic argument finally came down to: How can we assure something is done now? There was only one way, and that was by increasing the assistance under the guaranteed annual income system for this category of people.

I think what went on should be put in some

context, because I really have some strong feelings about what happened in the last few days of that committee. After two sometimes tough days in camera, the committee clearly reached a consensus. The most controversial point was calling on this government to raise the Gains for older single women without waiting for federal agreement. The motion to do this was moved by one of the Tory members, the member for Brantford (Mr. Gillies), and I give him full credit for it. It was supported after some debate by a majority in that committee.

After the new draft came out, when our people had finished with it in the second in-camera session, it was worded slightly differently. I will not go into the details. It was not that major, but at the urging of my colleague the member for Bellwoods (Mr. McClellan) the original wording was substituted, and that is where we had some argument. He was supported in his argument that what was down on the draft was not what we had agreed to by the member for Brantford, I believe by the chairman who vacated the chair just a few minutes ago, by other Tory members, as well as by the Liberal and the NDP members on that that committee.

Arguments were made and opposition was expressed by the member for Mississauga North (Mr. Jones) and the member for Sarnia (Mr. Brandt). The member for Oriole (Mr. Williams) was not there for the vote, although he had expressed opposition earlier. He came back in the final hour or so and was told what happened. We went ahead in committee and finalized the final draft of the report, including that recommendation. Finis—including that recommendation. Some subsequent problems there may have been. I am willing to accept partial responsibility for it if that is what really caused it.

We had also urged an early tabling of the report in the House. When it came into the House we noted that it had not been signed and that we had not seen it in printed form, although we had agreed and finalized the final draft in the committee. As a result it was sent back out to get our signatures to make sure we all saw the final draft. Suddenly we got the word. The member for Oriole is leading the attack against these elderly single women who are in desperate straits, strongly supported by the member for Mississauga North.

I have not heard much from the member for Sarnia (Mr. Brandt) but obviously he was with them. And even though we finalized it, and it

had been presented in the House—maybe it was our stupidity in asking that it be signed and letting it go back out again—we left an opening so that they could renege on what went through that committee. That is hypocritical and dishonest.

We ended up with a recommendation by these three members, that is now in this report, that says they disagreed with the immediate assistance that is so desperately needed for older single women. They give us all the arguments about costs. I am hoping the other Tory members in the committee will stand up because they have not joined in that dissent. There are only three of them that I know of. They have clearly said it is because there may be some costs involved, or “we want to wait until we negotiate with the federal authorities”—which could take forever—“we are not going to deal immediately with the desperate problem of older single women.” That is despicable as well as dishonest.

Nothing angered me more in this House than when that happened. That point should be very clear in spite of the defence the member for Oriole tried to make. What I have explained is exactly the sequence of what happened and how that came about. It was well after the fact that we got that dissent.

Mr. Williams: Mr. Speaker, on a point of privilege: If we are talking about political dishonesty, the comments made by the member who has just spoken amply demonstrates that. I indicated it was inappropriate to create false expectations by implementing that recommendation because of there having been no financial assessment of its consequences. The member says that somehow suggests I am against further support to single widowed people. That is totally false, erroneous and misleading, and politically—

The Deputy Speaker: Fine. I think you have had the opportunity to voice your concern on the matter. It is my understanding you have spoken previously on it. No doubt you have made the record well known on your point.

Mr. Williams: What the member said about my motivation in the matter is totally false—

The Deputy Speaker: You have made the point. You are out of order.

Mr. Mackenzie: I want to wind up my remarks now. I do not think that was a point of order.

Mr. Williams: No, it was a point of privilege.

Mr. Mackenzie: I do not even think it was a point of privilege.

There is no question they could argue that more of an assessment could be done. The fact is they did not argue that when we approved it, and finalized it to come into this House. When do they go back on something? That is an entirely different issue than the absolute need that was clearly pointed out and which we tried to redress in the recommendation made in that committee.

The final point is simply that we have an exceedingly difficult task ahead of us. We need universality. We need portability. We need a pension level that is adequate for older people as they leave their employment to be able to pay their taxes, buy the food, keep their houses, and live with some small measure of dignity.

I do not think even the Tories in the committee think the PURS concept is going to do it. But that may be what the argument centres on in the final session. However, we have to understand clearly, and I hope the people are watching and understand in the final session of this committee, what kinds of recommendations we bring in so that do have the capability of redressing and correcting an inadequate pension arrangement in this country of ours and in this province of ours.

9:20 p.m.

That is a pretty serious challenge. Yet I do know the direction I want to go. I will listen to a better one, but I have not heard it in anything we have seen before the committee so far.

Mr. Breaugh: Mr. Speaker, on a point of order: I would like to draw to your attention that I am not sure I can count 20 members in the House. I would like to draw that matter to your attention, according to the standing orders.

The Deputy Speaker: The member for Oshawa draws the chair's attention to the lack of members in the House to form a quorum.

Mr. Jones: Mr. Speaker, the numbers may not be great but I notice the intensity—

The Deputy Speaker: I will have to bring to the attention of the member for Mississauga North that I have just been informed there is no quorum.

Mr. Roy: There are only five NDP members in the House. Put that on the record.

The Deputy Speaker called for the quorum bells.

On resumption:

Mr. Jones: Thank you, Mr. Speaker. I suppose I could commence my comments with the response to some of the comments of the last

speaker, the honourable member for Hamilton East, when he uses such rhetoric as to suggest the honourable member for Oriole is somehow part of an attack on senior citizens. What utter nonsense.

Mr. Mackenzie: It is exactly what you did.

Mr. Jones: That is the continued diatribe we hear about how the NDP is the only party with a social conscience and all that.

Mr. Mackenzie: You are the ones who voted against it.

Mr. Jones: Rather I would prefer to share some thoughts that occur to me, as others have done who were part of the committee. I will leave a couple of moments for the dissent and my reasons for my involvement in it. First I would rather share a few moments of thought in this debate about this issue of pension reform about how we of the select committee joined with people who came to assist us in what I consider to be a rather expensive learning process.

As others commented, I cannot help but agree we were all grateful for Mr. Bentley's assistance—we learned so very much from him—and for the work of Richard Jennings and of course, Mr. White, as well as the many others who gave so freely of their time. It was a very free-giving, nonpartisan section of this proceeding of the committee that far outweighed the part my negative friend, the member for Hamilton East (Mr. Mackenzie), preferred to dwell on.

I, like other speakers, found the subject vastly fascinating. Working on that committee one cannot help feeling compelled to sense one's responsibility. As we go on forward and further learning other aspects of this extensive social, economic and, as it has been referred to, philosophical subject, I suppose we find ourselves looking within. We found ourselves—

Mr. McClellan: What is your philosophy of poverty?

Mr. Jones: If the member for Bellwoods could just be quiet for a moment, we will answer that. We have no dissent with recommendation 1.

The Deputy Speaker: If the member spoke to the chair it would probably help a little bit.

Mr. Jones: Fine, Mr. Speaker.

The Deputy Speaker: I am listening.

Mr. Jones: All members of the select committee from the government side found we shared the concerns as in the status of women report of a few days ago. As we did, we heard evidence from the other issues.

Mr. McClellan: Oh yes, sure. That's why you filed a dissent: acting as water boy for the Treasurer (Mr. F. S. Miller).

Mr. Jones: Someone over here wants to talk about our Treasurer not making it a major priority, as he alluded to that dissent. That is absolutely not true. The Treasurer is involved in more than one level. I was a member of this select committee in my own right. Though I am wearing my other hat, I am somewhat familiar with the work the Treasurer has been putting into, and the priority he is giving to, pension reform in this province—and also in the inter-provincial workings that we all agreed had to take place. I recognize, of course, it is a large federal and provincial issue.

When the member for London Centre (Mr. Peterson) talks about this government fooling around, I am sure he is being a little bit facetious. To take the report as we dealt with it, and to treat the different sections and the recommendations that we worked on and learned about as we went forward in the process that led to this interim report, I think we all look forward to the next go-round. Then we will be dealing with such matters as the provincial universal retirement system, which we know is very much a controversial issue, philosophically and economically, but one that everybody approaches with open minds. It is very much an area for major reform. I know our friends here with their pinched-in thinking are going to say we come to it with some predetermined thoughts but that just is not the case.

9:30 p.m.

As I look through the report this evening, I see the concept of deferred wages, for example, has been touched upon. That philosophy of deferred wages is certainly coming to be regarded as a legislative fact of life. I believe Wells Bentley shared with us the idea that if that became the case in this jurisdiction, we would probably be the first in North America—I think he even alluded to the western world—to see that come about in legislation.

Mr. McClellan: Don't be so silly. You're so partisan, so out of touch.

Mr. Jones: Those were the man's exact words. Why does the member not wait for his comments. He will probably give us more of the same diatribe his colleague did here a moment ago. In regard to the old dogma that this side of the House, this government, does not really care, there is evidence to the contrary all across the province in all the social programs of this government.

As we looked at vesting and rights on termination we found ourselves talking about the five-year recommendation and seeing it coming forward. We on this side of the House certainly do agree with that. I believe we are right to call also for review in the near future to see if that cannot go forward and come about even sooner. It is true, as members have said, there was a cost factor considered in that. Nevertheless, if we are accepting the philosophy that pensions are deferred wages, it flows naturally from that idea that early vesting is the proper route for us to be going as we look into even further reform in the near future.

As to survivor benefits for low-income, elderly single persons, there is total agreement about that. I know as this report goes on forward in the workings of this government that is a very high priority. With plan termination and funding requirements I do not think we have anything but total agreement with the members of the committee. The member for London Centre did a good job outlining for us the reasons why in disclosure as it affects those members of pension plans there is a very important need for reform so that people can have a concise, easy to refer to, easy to understand position as to where their pension benefits are, and how they have improved in the course of that year or even a shorter period. We heard from people who had private sector plans and others some suggestions as how they were helping that process in their individual cases.

I do not think part-time employees were touched on by other speakers thus far this evening. Nevertheless, we all knew, as we looked at some rather shocking statistics, that there was need for urgent pension reform. A part of the large numbers of people who were not included in pensions were many part-time employees. So the committee rightly found that issue needed early consideration.

We comment in our interim report about the Ontario public sector plans and we are looking at recommendations in this next round, no doubt about that, in more detail.

The inflation protection section of the report which has been outlined as an assistance against inflation, and which was referred to in one of the recommendations, is something the Treasurer has mentioned. Many of the members attended the Financial Executives Institute Canada pension conference recently at the Skyline. The Treasurer indicated that in principle he was very much in support of the concept of assisting against inflation as we looked at that particular recommendation.

I think we all recognized early on that uniformity of legislation, given the increasing mobility of the work force, with so many people moving not only interprovincially but also to different career choices in their working lives, is a major, important, basic reform that has to take place. I can share with the members that this government, in parallel with the work of the select committee, is going forward in its work with the discussions that are taking place between the provinces and with the federal government.

As we looked at the specific recommendations in capsule form at the back of the report, someone mentioned how we were referring to basic principles and finding ourselves involved in great philosophical debate. I suppose that is true. Early on, we saw this government comment in its budget about the need for reform. It admitted the shortcomings were recognized, with a need for flexibility and for improvement in private sector plans.

At that early stage, in no less a document than our budget, the government recognized a need for urgent improvement for the existing low-income elderly, and that remains a commitment for early attention by this government.

All the programs, such as improved vesting, the employer contributions and portability, have run parallel with thoughts the government has expressed. It was anxious to hear about them from the select committee. Now it has them in hand and is going forward.

But I think we have to remember with some of these recommendations that the need for uniformity across all the provinces is a high priority, an urgent need; so this government is going forward in that work.

As we dealt with the many issues of this complex subject of pensions and pension reform, I think we were all reminded of costs. As a point of clarification for the members who have raised it, I say about those of us who signed the dissenting report that it was not just the cost. It was a matter of pursuing discussions that took place in the committee where it was acknowledged, not just by members on the government side but by others, that the federal government had its proper and appropriate responsibility. It had expressed its recognition of that at recent pension conferences, notably the Minister of Finance speaking as he did on the subject specifically at the pension conference.

It was in that spirit as to the workings of the existing system, those means-tested programs where we recognized the need for increases for

those single elderly, that we called upon both levels of government equally to move urgently to meet that need. That is why I resent others who have said what they resent about it. I resent someone making comments about my colleague, myself or others that we were somehow attacking senior citizens. What balderdash.

9:40 p.m.

As we look into the dimensions of this subject, I think we have to learn some important lessons from other parts of the world. Those of us who attended the most recent pension conference, the financial executives' conference, heard from internationally recognized experts who described for us how Canada is at a crossroads that European societies reached some 15 years ago.

They described some of the lessons we could learn in our pension reform from their experiences so that we could do a better job, as others have suggested before me, to effect something that is going to be a responsibility, because it will affect generations to come and it can have such a tremendous impact on our economy, on the social services that flow from it and on the dignity we want for our elderly at a time when demographers are telling us clearly of our ageing population.

As we learn about some of the concerns that come from countries such as the Netherlands, where we hear of the bankruptcy of the whole country, short of their discovering oil, we must be concerned and we must pause and be responsible for the costs of what we are proposing in this reform.

As we enter this next session, we will undoubtedly be entering the philosophical debate about the expansion of the Canada pension plan. Some of us are rather concerned to hear the Minister of National Health and Welfare make some of the comments she has made about expanding the CPP and putting aside the great choice that exists now in the private sector system where people identify their needs through the collective bargaining process and all the many ways that have come about. The simplistic approach of expanding the CPP seems to be the only one to be considered in her mind. That has to cause us considerable concern.

I suggest that we should be looking at France and some other countries in Europe, where that has not been their experience, for some important lessons that have been learned.

As for my colleague and good friend the member for Bellwoods, his favourite thing is to

go on about how we on the government side are merely carrying forward some pre-ordained plan for pension reform.

Mr. McClellan: No, I am talking about you.

Mr. Jones: Okay. The member talks about me; it's the same thing. The member is convinced that everybody gets marching orders in the morning. What utter nonsense!

Mr. McClellan: No. Just you.

Mr. Jones: The Treasurer visited the select committee, and he told them his thoughts and from whence he drew them. He admitted they were his biases, but I think the member recognized them as wholesome and honest. The member admitted his biases from the day he walked into the committee.

Interjection.

Mr. Jones: Oh, of course.

As we look into this next session, we hope that we will see these admittedly thorny issues dealt with in a spirit of the urgency of the reform of the leadership role Ontario plays, because that is very much the mantle this province has as other provinces look to it for reform and the leadership it shows as it discusses so many of those programs with the federal government.

Mr. McClellan: Its leadership is all to the rear, as far as you are concerned.

Mr. Mackenzie: Are you talking about the pension supplement? They won't move until the feds move. Where are you? What is your interpretation of leadership?

Mr. Jones: Don't be naïve. The member knows that because of CPP it is impossible not to have uniformity across the provinces.

I was certainly pleased to be a member on this select committee. It was a learning exercise that I look forward to going on with in the months ahead, as the interim report moves on to a process of examining the many other issues of this expansive and crucially important social and economic subject that all of us will be faced with in our roles as legislators in these next few months.

As we look at that, we do so with concern for some of the nonsense that our NDP friends, such as the member for Bellwoods, has said. He pretends that somehow or other his party is without bias and we over here somehow or other propose—

Mr. McClellan: Why do you say, "I can't do anything for you. I have to wait for the feds"?

The Deputy Speaker: Order, please. The member for Mississauga North has the floor.

Mr. Jones: Mr. Speaker, I hope the nonsense we have heard about this dissenting opinion is not going to characterize the workings of the committee as it goes into the new year, because to do so is to make a mockery of the important work it has to do.

I would say that as we go forward in this work, we do so with determination that the very best blending of these recommendations and others to come in subsequent reports will play an important part in bringing about the essential reform in pensions as we look into new decades with an ageing population. We do so in good conscience, for the best interests of those currently senior in years and with needs, and as we look forward to future generations as they may share in the benefits we will be improving with this reform.

The Deputy Speaker: The member for Waterloo North.

[Applause.]

The Deputy Speaker: I wish to bring to the members' attention that, to have an orderly distribution of time, according to our calculation you now have approximately 12 minutes.

Mr. Epp: Thank you very much, Mr. Speaker, and all the members for that very hearty applause.

I am very pleased to be able to speak on this subject. Being a member of that committee for a number of months when we were presiding over some very important issues for this province, I felt it a privilege to be able to work with the other members of the committee, both of the New Democratic Party and of the government side of the House, and to be able to participate in trying to meld some kind of recommendations for the province so that policies could be developed in anticipation of some very important discussions taking place on the national scene which, when we were meeting in the summer months—

The Deputy Speaker: There are some very important discussions taking place right here, and I know we would all love to join them. However, in the interests of the dignity of the House and with all due respect for the member for Waterloo North, I think it is only right that we listen to his comments.

Mr. Epp: When we were meeting in the summer months, we thought the provinces and the federal government might get together in late November or December to discuss pension reform on a very preliminary basis. I do not

think very much of this has occurred, and it is probably because of the constitution and other important problems nationally and provincially.

I was pleased to be able to serve on that committee for various reasons. One is that it is a very complex subject and one that all of us should know more about. As a lay person over the years and so forth, I felt I was very inadequate from the standpoint of knowing a lot about pensions. I still am in that position, but I guess I am a little strengthened with that experience over a few years.

9:50 p.m.

I was particularly grateful to be able to serve my colleague the member for London Centre (Mr. Peterson). Without trying to be partisan in this nature, he is probably the person most knowledgeable and qualified to deal with this subject of any of the 125 members of this Legislature. I am not trying to be partisan, because, when I came into this House four and a half years ago, he was making important speeches on pension reform across this province at that time. It is something he saw years ago which some of us have come to acknowledge and identify only in recent years.

I am the member for Waterloo North. The House will appreciate that Waterloo has about five or six head offices of insurance companies; it is the Hartford of Canada. Months before, when the Haley commission was still having discussions about pensions, before its report was tabled in February or March—I think it was tabled in March but was made public in February—people in my own area were phoning and writing me to ask what was happening, giving me their views on some of the discussions, before Haley, as to things we should do once we got the report.

I was particularly gratified that we had from Kitchener-Waterloo a gentleman by the name of Donald Coxe, who is the vice-president of Mu-Cana, an arm of Mutual Life. He was a member of that commission. Having been a member of the committee that studied the Haley commission, I was able to sit down with Mr. Coxe, who gave me additional information about the discussions they had over the four long years during which the members of the Haley commission sat down and heard hundreds of briefs and so forth.

I would be remiss if I did not draw attention, as a number of other members have done, to the tremendous service Wells Bentley gave to the committee. Mr. Bentley was outstanding in his contributions. As my colleague the member for

London Centre stated earlier, I regret he has reached that ripe old age when he is close to retirement and wish very much he would continue to serve our committee to the best of his ability, which all of us recognize is a tremendous ability indeed.

As well, Richard Jennings, the researcher, did a tremendous job. Graham White as the clerk was equally good and continues to do his fine work. Of course, I do not think it should go unnoticed that Jim Taylor, the clerk of the committee, did a fine job.

Mr. T. P. Reid: The chairman.

Mr. Epp: What did I say?

Mr. T. P. Reid: You said "clerk." He is not competent enough to be a clerk.

Mr. Epp: I am sorry. The member for Prince Edward-Lennox (Mr. J. A. Taylor) was the chairman of the committee. It is the only committee I have sat on where the chairman did not take a lot of regular coffee breaks and so forth. I think he was there from beginning to end and, with few exceptions, the committee continued on without his being there. I think that was noteworthy in itself, aside from his taking a neutral position as chairman and conducting the affairs of that important committee admirably.

I want to speak about two or three principles the committee agreed on and then draw attention to a few things that still have to be decided. One is the principle of vesting, otherwise known as the right of the employee on termination of employment to part or all of his accrued pension earnings.

We know that currently in Ontario the policy is that one has to be 45 and have 10 years of service to have one's pension vested. I can tell you from experience because, after teaching for more than 16 years in the secondary system, when I came into the House I decided to take my money out of the Ontario Secondary School Teachers' Federation and use that money for other purposes, because I thought I could get better interest elsewhere than I could within the pension fund.

If the recommendations this committee has and will come out with are incorporated in national pension policy, and particularly provincial pension policy, it is going to be vesting at five years, and after three years that period will be shortened to perhaps three years, one year or whatever.

Another important principle we discussed was portability. I am pleased the committee

generally felt there should be more portability across the province and the country. At the moment, we know a lot of people from Ontario who came here from other provinces are now moving westward. I think it is unfortunate and shameful that in many instances these people cannot take their pensions with them.

If this kind of policy is incorporated into legislation—more portability—then more pensions will be taken with them no matter which part of the country they live in and no matter which part of the country they come from. All of us, as a matter of principle, support that particular stance.

The third item I want to touch on is disclosure. I was somewhat upset to learn that many people are not given the kind of information they should be given about their pensions. For instance, they may not be given a clear indication of the contributions they have in a plan; or they are not given a copy of the employer pension fund statement for current years; or they are not given the name and address of the plan's administrator or of the financial carrier, or the specific directions for obtaining additional information. These are only some of the things that Haley recommended and only some of the things our committee endorsed wholeheartedly.

Since my time is going by very quickly, I draw members' attention to the concept of deferred wages. This was referred to earlier. I was a little astonished that we have the kind of support we have, with the exception of one group before the committee, for the principle of deferred wages. This implies that pensions are a form of deferred wages. Therefore, an employee representative should be able to serve on the committee on pensions of a particular employer, and people should have greater understanding and knowledge of what is in a plan.

To finish, I was equally astonished when we were told by the Treasurer (Mr. F. S. Miller) that we are in debt about \$9 billion to the Canada pension plan, which had been borrowed over the last 15 years since its inception in 1965, and that we had no intention of paying that back. Without being overdramatic, that is theft in the clearest terms.

In that particular instance, I hope the government will change its policy and its stance. To try to wash that aside and say the money is not owed to the Canada pension plan and should not be paid back is somewhat out of line. I hope very much the government intends to pay that \$9 billion back. In any other form, when one

borrow money from a plan or borrows money from a bank, from one's father or mother, one should pay it back. In this case, the government should pay it back.

Since my time is up, I will leave it at that point.

10 p.m.

Mr. McClellan: Mr. Speaker, I want to take about 10 minutes' caucus time, and then the other 10 minutes or so could be taken by my colleague the member for Downsview (Mr. Di Santo), in rotation, if that is possible. My colleague the member for Hamilton East (Mr. Mackenzie) has set out our caucus position on the principal recommendations in the report. I do not want to cover that ground again.

We are engaged in a curious kind of exercise in the select committee. We are trying to apply artificial respiration to the private sector of the insurance industry, the private pension industry. I have commented on this matter before that, although I think we have come in with a good package of short-term reform, again to revive a thoroughly discredited private pension industry, we should not pretend or fool ourselves that the kind of reforms that simply bring Ontario pension legislation into the twentieth century from the Middle Ages are going to solve our long-term pension problems in this province or in this country.

The Royal Commission on the Status of Pensions in Ontario identified the essential problem in the pension dilemma. The problem is coverage. The problem is that private sector plans do not cover more than a minority of the work force. The most shocking statistic, obviously, is that only 22 per cent of working women are covered by private pension plans. My colleague the member for Hamilton East talked about the fact that because of our neanderthal vesting provision only a small portion of workers who are covered by plans actually collect any benefits.

We are dealing with the worst abuse with respect to private pensions and moving to five-year vesting, and it is to be hoped that after three years we will move closer and closer, as quickly as possible, to immediate vesting. That is not going to solve the problem, however. The majority of workers are still not covered by private plans. No matter how good we make our Pension Benefits Act, no matter how good the legislation is, it is not going to solve that fundamental problem.

We have heard witness after witness in the select committee testify to this essential reality.

Even proponents of the private pension sector concede that they are never going to be able to cover the entire work force. So they suggest all kinds of crazy solutions which involve writing off a large number of people who they say are relatively superfluous; surplus people. They earn incomes that are so low it does not really matter if they have a pension anyway. I am not distorting the argument. I am putting it baldly, but I am not distorting it.

The apostles of private pension plans, to the exclusion of anything else, are quite prepared to write off a large number of people, either people who are not working—that is to say, women principally—or low wage earners. They are able to cook up statistics that show a majority of middle-income and upper-income wage earners are already covered by private plans and, therefore, we have no problem, because we are proceeding to write off what amounts to either a large minority, or I suspect, a majority of workers in this province and in this country.

No matter how nice our reforms to private pensions, they are not going to solve the central problem as it was identified by the royal commission, which was the problem of coverage. That is why the royal commission recommended the provincial universal retirement system program: they conceded that only a mandatory plan that covers all employees is going to solve the essential problem.

The royal commission ideologically was not able to accept public mandatory pension coverage via an expansion of the Canada pension plan and, therefore, they came up with this kind of Rube Goldberg creation, the PURS program, which is a compulsory private money purchase plan. Legislation would be passed that would require every employee in Ontario to invest in a money purchase plan.

I regret to say that the PURS program has been laughed off the stage even before the debate has begun. Nobody seems to support the PURS program; not the Treasurer, not the Tories on the committee, as far as I could tell, none of the witnesses, as I recall, who came before the select committee supported the first plan, with the exception of the Investment Dealers Association, who I suppose could expect to be selling money purchase plans and were looking forward with a certain amount of relish to the prospect of a compulsory legislated market. They thought it was real keen. But nobody else, including the major financial representatives who were before the committee, thought the idea had very much merit.

That leaves us in a critical dilemma, because we do not have anything by way of an option that deals with the essential problem of coverage. I should say in parenthesis that the Treasurer has picked a new figure out of the hat. Let me quote from page four of his November 17 speech, "I know that such plans cover only 54 per cent of the full-time labour force." He is talking about private pension plans.

That is not the royal commission's figure. I do not know where the Treasurer got it. Perhaps somebody on the government side could do the committee the courtesy of providing us with that information. The royal commission's figures are substantially lower than that.

Mr. Mackenzie: Probably wishful thinking.

Mr. McClellan: I suspect it is wishful thinking. So it is going to be essential for us, when we move to the second phase, to confront the coverage issue squarely and honestly. I happen to believe the only rational solution to the coverage crisis is to expand our public pensions. Our initial option, in this party, was to double the Canada pension plan.

We are, at the present time, looking at what the appropriate mix should be between Canada pension benefits and old age security benefits. It may well be that a mix other than the one we have been looking at to date is the appropriate mix. My colleagues in the New Democratic Party have been engaged over the course of the last four or five months in a very tough look at this question of the proper mix between universal benefits under old age security and contributory benefits under the Canada pension plan.

It seems to me that is the proper area for discussion and examination, and not some will-o'-the-wisp search for magic solutions from the private sector, because it will not solve coverage problems, and not the Rube Goldberg proposals the royal commission has put forward, to which nobody gives any serious credence. Because coverage is such a critical problem, we have recommendation two in this select committee report.

I want to conclude with a few observations about that. I think every speaker has alluded to the fact that there are many thousands of elderly retirees in this province who have no pension coverage of any kind and are totally reliant on public programs, principally the income-tested guaranteed income supplement and the provincial Gains program, for their survival.

This is simply symptomatic of the coverage crisis, that thousands and thousands of senior citizens who had no pension plan are totally

reliant on the welfare-based Gains and GIS. The great tragedy is that despite old age security, the guaranteed income supplement and the provincial Gains program, the rates for single people are still below the poverty line in Ontario.

So we recommended, in recommendation two, as did the royal commission, that the Gains rates be increased to 60 per cent of the married rate in order that the incomes of Gains recipients in Ontario would be above the poverty line. Despite the fact that we had a consensus on that issue, when we adjourned our final in-camera session we had a report with a dissent attached to it.

10:10 p.m.

If the members are perhaps curious at all as to why there is an amount of bitterness with respect to this issue, it is because of the bad faith shown by some of the members of the committee, who left that room with the chairman's assurance that we had a consensus, that we were agreed, despite our differences, to support the recommendations in the report, including the recommendation to increase the guaranteed annual income system rates. Yet, when it came down to the crunch, they turned that consensus down and filed a dissent.

At any rate, I suppose that is their political problem, but it weakens, as the member for London Centre (Mr. Peterson) said, the force of the report. It gives the government an excuse for continuing to delay action on this scandalous problem that singles in Ontario, who are retired and living on Gains, live below the poverty line. It is an obscenity in a civilized society that this situation continues. It has been raised time and time again in the Legislature. It is now a major recommendation of a select committee report. I can only hope that the House will adopt this report and that the government will move as quickly as is humanly possible to raise the Gains rates above the poverty line.

Mr. Gillies: Mr. Speaker, I thoroughly enjoyed the experience of sitting on this, my first select committee, and I would echo the comments that I think just about every speaker has made tonight about the very excellent assistance we received and the guidance and very good judgement shown by our chairman, the member for Prince Edward-Lennox (Mr. J. A. Taylor).

We started the deliberations of this committee with many important questions, some of which we have been able to address in the

interim report, some of which hopefully we will address in the final report, and some of which frankly I am not sure we will address at all.

We have to look at the very role of social security, the role of pensions. Some members of the committee were concerned about the connotation of the various public programs that benefit senior citizens and that was one of the arguments used by some of my colleagues in advocating an expansion and extension of the Canada pension plan. Indeed, I think that is one option the committee must look at very seriously.

What is the role then of public pensions? What are the benefits? What are the downsides? I think a very key issue is the adequacy of coverage.

One question the committee will have to look at, which certainly was not covered in the interim report, is the question of the retirement age. There are two arguments that come to the fore here. One is that an earlier retirement, in this day and age of a growing work force and growing unemployment, could lead to greater availability of positions and mobility and types of labour for young people.

Of course, the counter-argument is that the raising of the retirement age could allow people to be more productive longer. It would remove an artificial barrier, which I think many senior citizens find less than attractive, and would allow people to be somewhat positive in their contribution to society and in their monetary contribution towards their own retirement for a longer period of time. I would hope the committee will have time to look at that when we reconvene in the winter.

We have a problem in coverage. I think the member for Bellwoods (Mr. McClellan) stated it very clearly and quite properly. There are a number of different figures circulating, but the federal task force reporting in April suggested that 48 per cent of workers were covered by employer sponsored plans. That is less than half. The Canadian employer sponsored pension coverage is somewhat less than that of other countries in the western world. I think we have to look very carefully at what conditions may be in place and what options we are missing that have led to this inadequacy of coverage vis-a-vis some other countries with which we might well be compared.

Less than half the workers in our country have employer sponsored programs which include survivor benefits. Many widows do not have any private coverage when they are left to their own

devices. This, quite frankly, is why I felt very strongly at the time of our deliberations, and still feel strongly, that we have to look at the benefits paid under the public schemes.

If one refers to the first page of the interim report it says, "The old age supplement, guaranteed income supplement and guaranteed annual income system ensure a monthly income in Ontario of \$493.24 for a single person and \$928.32 for a married couple." I think the feeling of most members on the committee was to question the adequacy of the amount available to a single person. Let us face it, we are talking here mainly about widows. We are talking about retired female senior citizens.

We feel, and it is stated in the interim report, that the level for a single person should be raised to about \$550 a month minimum and that is why I moved recommendation number two, that we should move to increase that rate immediately. I still feel there is no benefit to us to wait for consultation with another level of government when we identified a very serious problem and one that could well be addressed by this government on the recommendation of members of this Legislature.

However, I might say I feel there is some slight overreaction on the part of some members in that I really think the disagreement is over process rather than substance. I do not particularly think any member of our committee—a committee that worked very closely in a nonpartisan spirit for some months—disagrees with the principle. I do think there is some concern as to whether the consultation with Ottawa should go before or after whatever decision this government might make.

However, I would not back away from my argument that we should indeed recommend that the government act on this recommendation without delay.

Mr. T. P. Reid: Hear, hear. And you will resign if they do not.

Mr. Gillies: Oh, it would be a very serious matter that would cause me to resign.

This is a matter which I have raised before. I raised it in the estimates of the Ministry of Community and Social Services. I have raised in the House, and I recall the member for Kitchener (Mr. Breithaupt) also raising this matter. I am also concerned, I might add, with the adequacy of the so-called widow's pension, because I believe there is a definite inadequacy of income for women who are left by themselves who are under 65.

I happen to think our government has a very

excellent record in terms of taking care of its senior citizens. I do feel, however, there is a gap with women left by themselves between the ages of 60 and 65, many of whom contact me, and I am sure other members in their offices, and say they can hardly wait until the day they cross that magic age when they feel that the sky will almost open with various types of assistance that are available to them then.

Especially in the economic climate in which we find ourselves, a woman over the age of 60, left by herself, certainly in my riding, is not going to have a very good chance of finding a job so that she can support herself and, therefore, it is incumbent upon the government to offer whatever assistance we can to her.

The other members have talked about the matters we did agree on and they are far more, and far more all encompassing, than the matters on which we did not agree. We came in with five-year vesting and, as other members have noted, we will probably reduce that—and I look forward to that—possibly to one year, possibly to immediate vesting. I think the committee will have to look at that again.

We looked at the question of employee representation on the administration of pension funds, which I think is long overdue. A minimum of one employee should be on every fund, I would suggest. Again, perhaps the committee or the government should look in the future at just how we can best accommodate all of the various labour unions and employee groups that might be involved in any single fund, because we could have a problem of the adequacy of that representation.

The Acting Speaker (Mr. McKessock): The member's time has expired.

Mr. Gillies: Just in summation then, I am looking forward to the committee sitting again in the winter. I am looking forward to the progress we will be able to make, I hope, on some more substantive issues in the field of pensions.

10:20 p.m.

Mr. Di Santo: Mr. Speaker, I was not a member of the select committee.

[Applause.]

Mr. Di Santo: I am glad all the Liberal hopefuls are contending for my support. I will decide in January which one of them I will support.

I would like to participate in this debate because I feel very strongly about the condition of pensions in Ontario. I think the select

committee's terms of reference were very narrow. They were not able to address the very serious questions of pensions and the age of retirement and the problems they bring with them, but I think some of the recommendations on vesting and portability go in the right direction.

Perhaps the dissenting report of the three members, the member for Oriole (Mr. Williams), the member for Mississauga North (Mr. Jones) and the member for Sarnia (Mr. Brandt), speaks to the real problems the senior citizens of Ontario are faced with.

These problems were emphasized last week in the report of the Ontario Status of Women Council. That report did not say anything new, but it reminded us that there are 400,000 women in Ontario who are living below the poverty line. The recommendation of the committee was not that radical. In fact, the majority of the committee recommended adjusting Gains temporarily to bring attention to the condition of senior citizens, and especially women.

Women are the ones who suffer most, because on average in Canada they survive their husbands by eight years, and they are the ones who then cannot survive. The committee agreed that survivors' pensions are inadequate. A widow cannot survive on 50 per cent of the combined pension of husband and wife.

Therefore, I think the dissenting recommendation of the three Conservative members is a useless cruelty. It means they refuse to understand there are some people in this society who just cannot survive. If the purpose of the select committee was to try to find means to make pensions more adequate, then perhaps that was one of the ways. As other members said before, this is not an imposition on the Treasury of the province for an indefinite period of time. It is a requirement of the Treasury of Ontario until the problem of pensions is resolved.

We understand perfectly that pensioners do not have much clout. They are not an organized group, they are not a pressure group. In fact, the federal and provincial governments try to play games with them. We remember very well when, in 1980, Monique Bégin pledged she would fight for pensioners, and especially pensions for housewives. Then just four months ago, speaking at the conference on pensions at Lake Louise, she said, "I promised I would fight in order to get better pensions for the people of Canada, but we cannot because we do not have the money."

Allan MacEachen did the same. During the

campaign and immediately after the election he promised they would revise the pension system, but in the last budget there was not one single penny for pensioners. So the recommendation of this committee to increase Gains was a gesture of goodwill towards people who cannot survive, who have problems, who live alone, who are fearful, who have no money for food. The government had the nerve to refuse that to the senior citizens, and especially to old women.

Mr. Jones: Our dissent is not going to slow it down one iota. Our determination is the same but we did not want the federal government—

Mr. Mackenzie: He just made the argument. Did you not listen to him?

Mr. Di Santo: I do not want to say the word because it is not parliamentary, but the fact is the government members are fat cats. That is why the government does not understand the plight of people who can barely survive. It has no sensitivity. It is heartless. The member for Brantford (Mr. Gillies) said that—

Hon. Mr. Ashe: What would happen if you were living in Saskatchewan? You get 25 bucks a month.

Mr. Di Santo: I never thought the member would make it to the cabinet; he is proving that day in and day out. We are talking about Ontario.

Mr. McClellan: How are the cheques coming, George? Getting the cheques sorted out? You are doing a great job.

Mr. Di Santo: We are talking about Ontario. The minister is not even able to send out grants to senior citizens. In my riding last week there were senior citizens who had received two cheques and some people who are not even 65 receiving their cheques.

Hon. Mr. Ashe: Look how generous we are. You are complaining we are not supplying money.

Mr. Di Santo: We are not talking tonight about the mismanagement of the economy by the government; we are talking about pensions, about a human problem.

As my NDP colleagues and my colleagues in the Liberal caucus said, recommendation number two was not meant to solve the problems of pensions. The problems of pensions are portability, vesting, and lowering the pensionable age which the government so often confuses with the age of retirement. The government did not want even to do that. That proves that as soon as the government came back with a majority, it

forgot about the ordinary people of Ontario, about those people who trusted it, those people who believed it and who are sorry now.

I want to speak briefly, because I felt very strongly about this and as I feel very strongly about the pensionable age that was not dealt with by the committee and to which the member for Brantford made short mention. For many people, 65 years of age is an age when they cannot work any longer.

In my opinion if the government wants to increase the retirement age it can do that. It can abolish the retirement age. I think there should be no retirement age, but the pensionable age should be brought down to the age of 60 to give retired people the option to work or not to work, give them the choice. Of course when the government talks about other people it always talks about costs and money, but when it comes to buying a jet it knows where to get the money. When it comes to buying Suncor—

Hon. Mr. Ashe: When you do not have responsibilities, you do not worry about money. That is why you can yatter on and on and on.

Mr. Di Santo: When the government buys Suncor the minister is totally ignorant of the deal. His government spent \$650 million; then he is upset because—

10:30 p.m.

Hon. Mr. Gregory: What about the Saskatchewan government? Has it ever bought anything?

Mr. Di Santo: I do not think the whip with the limousine knew anything about the Suncor deal, but when we talk of social services, when we talk of services to the people, all at once he asks how much it will cost the constituents of Ontario. Of course there is a question the people of Ontario should ask and that is how much this government costs them. Today we saw the farmers protesting up there. I have never seen farmers come into this House and yell because of what the government is doing to them.

Mr. Watson: Oh, come on now. The member was here two years ago.

Mr. Di Santo: They were yelling at the government. They were not yelling at us.

Mr. J. M. Johnson: You are a disgrace supporting something like that.

Mr. Di Santo: I am elated by the outflow of intelligence coming from the Conservative caucus. I really enjoy it.

SECURITY OF
LEGISLATIVE BUILDING

Hon. Mr. Gregory: Mr. Speaker, I rise on a

point of privilege in regard to a couple of matters that have happened in the House this week. On Tuesday last we witnessed a demonstration in the galleries which indicated to me there was some weakness in security. I particularly noticed it. I had a group of people from Mississauga East who were in the gallery. They were not surprised when they were evicted as well because of the disturbance. Today we witnessed a disturbance in the Speaker's gallery.

I find it disgraceful this was allowed to happen. I find even more disgraceful the fact that the actions of these people in the gallery were applauded by both opposition parties, which to me was an insult to the integrity of this House.

Mr. Ruston: On a point of privilege, Mr. Speaker.

Hon. Mr. Gregory: I am on my point of privilege, Mr. Speaker.

The Deputy Speaker: I am listening to the point of privilege.

Mr. Mancini: Well, don't make allegations like that.

Hon. Mr. Gregory: You did applaud.

The Deputy Speaker: Let us get to your personal point of privilege.

Hon. Mr. Gregory: Mr. Speaker, on my point of privilege, I would like to go further. I repeat, the actions of the people in the gallery were applauded by the joint parties across the way. I would like to make one request of you and it is my point of personal privilege—

The Deputy Speaker: I know, but you are being very antagonistic.

Hon. Mr. Gregory: I have a request of you, Mr. Speaker.

The Deputy Speaker: I am listening to the request.

Hon. Mr. Gregory: I wish to request that the Speaker's office first investigate how these people got into the Speaker's gallery and who signed them in. I would also like to know why they were let in past the security guards carrying briefcases and overcoats. I would like, Mr. Speaker, if you would report back to this House early next week.

The Deputy Speaker: Your point of privilege is taken and the Speaker's office will follow it up, at least as best as I can say on my authority.

Mr. Ruston: On the same point, Mr. Speaker, the member for Hastings-Peterborough (Mr.

Pollock) this afternoon stood in his place and was yelling at the people in the Speaker's gallery. I think that is not proper for any member in this Legislature.

Mr. Martel: Mr. Speaker, could I draw your attention to the time. It is now past 10:30 p.m. and, unless you have a motion to continue, the House stands adjourned.

Hon. Mr. Wells: Mr. Speaker, perhaps we could ignore the time for a minute while I make my statement.

The Deputy Speaker: Is this about adjourning the debate on the report?

Hon. Mr. Wells: I am sure my friend, including my friend the member for Renfrew South (Mr. Yakabuski) would be very interested in this, if he pays the usual attention he does to this House.

Mr. Mancini: On a point of privilege, Mr. Speaker.

The Deputy Speaker: Order. Let us get this straightened around. How am I going to recognize a point of privilege when we are past the clock?

Mr. Mancini: The same way, Mr. Speaker, that you recognized the point of privilege from the government whip.

The Deputy Speaker: I did. The time was at 10:30 p.m. I felt there was recognition. I recognized one of your own honourable colleagues. I recognized in due course the member for Sudbury East. I think I have been as fair as possible to all concerned. I think the member for Mississauga East had his say. I was disappointed in his manner in terms of allegations but, on the other hand, there were also comments from the member for Essex South and he had his kick back. I figure we are all straightened around. It is after 10:30—

Mr. Mancini: We don't have permission to go beyond 10:30 p.m. either. If you aren't going to listen to my point of privilege, we aren't going to give permission.

The Deputy Speaker: I so order. I rule you out of order.

On motion by Mr. Wells, the debate was adjourned.

Hon. Mr. Wells: Mr. Speaker, I wish to indicate the business of the House for next week.

Mr. Mancini: Mr. Speaker, we don't have the permission of the House to go beyond 10:30 p.m. yet.

The Deputy Speaker: Well, right, now we have that problem.

Hon. Mr. Ashe: Why don't you just leave and then you won't have to listen to it?

Hon. Mr. Wells: I might just remind my friend that the orders also call for the House to be informed of the business for next week. If the member is not interested in what the business is—

Mr. Mancini: Mr. Speaker, I am interested in having my point of privilege, in order to respond to the comments made by the member for Mississauga East. That is what I am interested in.

BUSINESS OF THE HOUSE

Hon. Mr. Wells: I would like to indicate the business of the House for the balance of this week and for next week.

Tomorrow, Friday, we will consider the estimates of the Ministry of Intergovernmental Affairs.

On Monday afternoon, December 7, we will be concluding the estimates of the Ministry of Intergovernmental Affairs, followed by second reading in committee of the whole House on Bill 166.

On Monday evening, in committee of the whole, we will consider third reading of Bill 7, followed by Bills 107 and 104 for second reading in committee of the whole House, and Bill 125 for second reading.

We will be meeting on Tuesday afternoon and evening, December 8. We will sit on Wednesday afternoon, December 9, from 2 p.m. until 6 p.m. with question period at 2 p.m. On Thursday morning, December 10, we will sit

at 10 a.m. until 1 p.m. At those times, any bills not completed Monday evening will be considered, followed in sequence by Bills 151 and 176, second reading and committee of the whole House; Bills 156 and 171, second reading and committee of the whole; Bill 159 for second reading; Bill 136 for second reading and committee of the whole; Bills 175 and 183 for second reading, and Bill 178 for second reading.

On Wednesday, December 9, the general government, resources development, and administration of justice committees may meet in the morning.

Remembering the House will be meeting Thursday morning from 10 until 1 p.m., on Thursday afternoon at 2 p.m. there will be question period, followed by debate on the motion of no confidence moved by the member for Ottawa Centre (Mr. Cassidy) with a vote at 5:45 p.m.

On Thursday evening, we will continue with any legislation on the list I have already read that has not already been completed. There will be a vote at 10:15 p.m. on the motion for adoption of the recommendations contained in the first report of the select committee on pensions which we have just been debating.

On Friday, December 11, we will begin the estimates of the offices of the Lieutenant Governor, the Premier and the Cabinet.

Mr. Bradley: Mr. Speaker, did the minister say the House is not sitting next Wednesday night?

Hon. Mr. Wells: That is right. The House is not sitting next Wednesday night. It is sitting from two until six o'clock, with question period at two o'clock on Wednesday.

The House adjourned at 10:38 p.m.

CONTENTS

Thursday, December 3, 1981

Report, select committee on pensions, Mr. J. A. Taylor, adjourned. 4185

Other business

Security of Legislative Building, Mr. Gregory, Mr. Ruston, Mr. Mancini. 4208

Business of the House, Mr. Wells. 4210

Adjournment. 4210

SPEAKERS IN THIS ISSUE

- Ashe, Hon. G. L.; Minister of Revenue (Durham West PC)
- Breaugh, M. J. (Oshawa NDP)
- Cousens, D.; Acting Speaker (York Centre PC)
- Cureatz, S. L.; Deputy Speaker (Durham East PC)
- Di Santo, O. (Downsview NDP)
- Epp, H. A. (Waterloo North L)
- Gillies, P. A. (Brantford PC)
- Gregory, Hon. M. E. C.; Minister without Portfolio (Mississauga East PC)
- Johnson, J. M. (Wellington-Dufferin-Peel PC)
- Jones, T. (Mississauga North PC)
- Mackenzie, R. W. (Hamilton East NDP)
- Mancini, R. (Essex South L)
- McClellan, R. A. (Bellwoods NDP)
- McKessock, R.; Acting Speaker (Grey L)
- Peterson, D. R. (London Centre L)
- Reid, T. P. (Rainy River L-Lab.)
- Roy, A. J. (Ottawa East L)
- Ruston, R. F. (Essex North L)
- Watson, A. N. (Chatham-Kent PC)
- Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)
- Williams, J. R. (Oriole PC)



No. 118

Legislature of Ontario Debates

Official Report (Hansard)



First Session, Thirty-Second Parliament
Friday, December 4, 1981

Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

An alphabetical list of members of the Legislature of Ontario, together with lists of members of the executive council, the parliamentary assistants and members of the standing committees, also appears at the back as an appendix.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Friday, December 4, 1981

The House met at 10:03 a.m.

Prayers.

Mr. Speaker: Statements by the ministry.

Mr. Ruston: Who? Where?

Mr. Speaker: Oral questions?

Mr. Bradley: No, no. We have to wait until we get some ministers.

Mr. Breithaupt: Mr. Speaker, we have four ministers in the House, none of whom has particularly onerous responsibilities.

Mr. Ruston: Call for a quorum.

Mr. Eakins: Ring the bells for four minutes.

Mr. Bradley: That's right. We cannot have a question period without ministers.

Mr. T. P. Reid: We can have a question period.

Mr. Speaker: I was just going to say, everybody is aware of the time the House convenes, and it is not really my responsibility to see that the ministers are here on time. However, having said that, we will start with question period.

SECURITY OF LEGISLATIVE BUILDING

Mr. Breithaupt: Mr. Speaker, others are coming into their places, but we have no one in the front row at all; none of the senior ministers is here. However, perhaps I might speak on a point of order instead for a moment.

I am concerned with respect to the incident that occurred in the Legislature yesterday, in which certain members of the Legislature and people in the public gallery were involved in a shouting match and, of course, the various events that led to a scuffle and, if nothing else, the immediate departure of the press.

I believe we are facing a difficult time in this province, and it may be that the security of this building and of the chamber, which is the Speaker's particular responsibility, is unfortunately something we may have to review.

It seems to me that access to the public galleries of the Legislature of this province is something we must jealously guard so it is available to as many of our people as is possible. But it also appears to me that because of the strains our economy is undergoing, there are pressures on a variety of individuals who may

lash out in one way or the other and blame those of us in the Legislature for problems that have arisen and may arise with respect to their own personal situations. They may cause violence and may cause some of the unfortunate events we have seen in other Legislatures across the world.

I ask you, Mr. Speaker, at your convenience, either through the party leaders or the House leaders, or whoever your advisers may be in that matter, to convene a meeting so that as soon as possible we can come up with a reasonable and practical balanced review of the unfortunate need to reconsider the security measures in this building.

We are as likely as not to have someone with a weapon of some sort in the public galleries, and I think we face a serious possibility of some danger, which of course would be something we would all hope to avoid.

I do not know where the point of balance is, sir, but I am most seriously concerned that we attempt to reach it, and I believe we must do it as soon as possible.

Hon. Mr. Gregory: Mr. Speaker, on a point of privilege: I wish to address myself to the remarks of the previous speaker. As you are aware, Mr. Speaker, or as your Deputy Speaker (Mr. Cureatz) was aware, I rose on a point of privilege last evening to raise this very point.

It certainly is a matter of concern to the members on this side of the House. I am afraid my remarks of last evening were somewhat misunderstood by the opposition; however, I know they received them gratefully.

I want to add my support to the request by the acting Leader of the Opposition.

Mr. Speaker: Thank you very much. I would just like to say to both the member for Kitchener (Mr. Breithaupt) and the member for Mississauga East (Mr. Gregory) that their points are well taken. There is a general reluctance among all members, and certainly myself, to take steps to enforce more rigid security. To that end, however, I have asked for a report from the security people. I hope I will have that at the beginning of the week, and then I would like to share that information with the House leaders. Perhaps with the combined wisdom of all, we can come

up with a plan that will meet the requirements of all the members.

WITHDRAWAL OF REMARKS

Mr. Nixon: Mr. Speaker, on a point of order—

Hon. Mr. Gregory: Where were you last night?

Mr. Bradley: I was here last night.

Mr. Speaker: Order. The member for Brant-Oxford-Norfolk has the floor.

Mr. Nixon: Mr. Speaker, the member for Ottawa Centre (Mr. Cassidy) has resumed his seat without withdrawing the offensive words that resulted in his being expelled from the House yesterday. I want to object to this. I have objected to it in the past.

You know that your predecessor, Speaker Stokes, on a somewhat similar occasion, required the withdrawal of the offending unparliamentary words. In the instance of the former member for High Park-Swansea, he was not permitted to resume his work in the Legislature without withdrawing the words.

10:10 a.m.

We as a parliament have to trust in the confidence of the words and ideas expressed by the honourable members. We have a strict rule that prevents any member from using the word "liar" or from indicating that any member is deliberately misleading the House.

From time to time, the rule may seem ridiculous to those who observe the activities in this chamber, but still I say to you that it is difficult, if not impossible, for an honourable member to continue his work in the chamber when another honourable member has called him a liar, or words tantamount to that, without the words being withdrawn.

I suggest to you again, sir, that we are not here to decide whether the Premier (Mr. Davis) was right or wrong or whether any other member was right or wrong. If there is some requirement that this be decided, then the House or you, sir, can refer the matter to another committee.

We are simply talking about the requirement, which is something more than just a few words in a rule book, that a member must not call another member a liar and then consider that to be expiated by walking out of the House with the television cameras focused on him, talking to a group of admiring reporters and then coming back in the next day.

If we allow that to happen here or in any other House, we are simply building up another

debating procedure. I say to you it is well beyond that, and we should not allow a member from any side or from any position to make such a charge in the House without withdrawing it unless that person decides not to come back into the House.

Mr. MacDonald: On the same point of order, Mr. Speaker: I had to slip out of the House yesterday, and I have not had an opportunity to go back and check with the Instant Hansard but, if I may rely on the Globe and Mail this morning, I want to draw your attention to two paragraphs in the story carried on page five, which read as follows:

"Liberal Leader Stuart Smith told the House that when Mr. Cassidy called Mr. Davis a liar 'he (Mr. Cassidy) was 100 per cent correct. . . Of course, they are new user fees. You lied to the people of Ontario.'"

A later paragraph reads:

"Although Mr. Cassidy was ejected by Speaker John Turner for using the word 'liar,' Dr. Smith was not ejected or asked to withdraw the charge by Acting Speaker Don Cousens."

Mr. Speaker, when you are examining and reviewing this, will you take into account what appears to be still another contradictory judgement coming from the chair on this very issue that the leader from Brant-Oxford-Norfolk (Mr. Nixon) has raised.

Mr. Speaker: I want to thank the member for Brant-Oxford-Norfolk for bringing this matter to the attention of the House and the member for York South (Mr. MacDonald) for his views as to what happened in my absence.

I want to point out that in my interpretation of the standing orders at the present time there is no obligation upon members to withdraw the remarks in order to regain entrance to the House.

I do regret the incident and I feel that, since we are recognized as honourable ladies and gentlemen and it is assumed we are ladies and gentlemen, we should, indeed, conduct ourselves as such.

Rather than make any judgement as to what should happen or which committee it should be referred to, I want to take it under consideration and think about it and maybe discuss it again with the House leaders and see whether we cannot come up with a reasonable solution.

Mr. Martel: If I may, Mr. Speaker, I just want to add something to this, because there is a problem and I recognize the difficulty. But I also recognize another difficulty, and I have

raised it in this House on a number of occasions, that if someone has a strong conviction that someone is lying, as in the instance when I was thrown out, as to what recourse there is.

It is not the Speaker's decision to sort it out. I do not think the Speaker can be held responsible for trying to sort out who is doing what. If someone is found to be lying and a member feels so aggrieved that he gets thrown out, there must be a way of sorting out that dilemma. Otherwise, Mr. Speaker, you shackle the members and force the type of confrontation that occurs and that all of us want to get away from.

I have raised this in the past, and we have no solution to it yet. As I say, it is not up to the Speaker to have to sort it out, but somebody will have to do that. When the charges become very strong, there has to be a way to get to the truth of the matter, but I do not think it is up to you to decide what the truth is.

Mr. T. P. Reid: Mr. Speaker, I am quite concerned that you do not seem intent to make a ruling on this matter at this time. I draw your attention to standing order 1(b), which states:

"In all contingencies not provided for in the standing orders the question shall be decided by the Speaker or Chairman, and in making his ruling the Speaker or Chairman shall base his decision on the usages and precedents of the Legislature and parliamentary tradition."

I respectfully submit that we do have a precedent, as pointed out by my friend the member for Brant-Oxford-Norfolk (Mr. Nixon), in regard to the former member for High Park-Swansea. If we delay any decision on this and allow the honourable member to remain, then de facto that is also going to be a precedent in this House.

The atmosphere is a little unpleasant as it is, and I suggest that if we lower our standards and allow one honourable member to call another a liar, which has never been accepted in parliamentary tradition, if we allow this just to sit here today, we will be setting a dangerous precedent.

I respectfully suggest that you follow the precedent set by Speaker Stokes and ask the member to withdraw the comment or else to withdraw from active participation in the House until he does.

Hon. Mr. Wells: Mr. Speaker, I rise to speak in support of the contentions put forward by my friend the member for Brant-Oxford-Norfolk. I think this is a very serious matter, and he has underlined it.

Standing order 20(b) says a member may be asked to withdraw for the remainder of a sitting

for a minor matter. I want it to be known that we do not consider calling another member of this House a liar, with no equivocation, a minor matter. It is certainly not the kind of thing that should be allowed to slip by because we fail to grab the moment when it occurs.

As the matter is now being presented to us, if we let it slip by, this will become another common occurrence in this House, which in my humble opinion has become too rowdy. This House has a responsibility to set standards, both for the young people who come to visit us every day and for all people who watch us in debate.

I submit that we cannot let the matter just sit to be discussed. If the member for Ottawa Centre has the same concern for this House as all of us have, he will withdraw the remark today, now, and then allow anybody who wishes to look at the procedures to discuss it. But to allow it to stand on the record and for him to remain sitting in here adds another black mark to the days in this House.

Mr. Speaker: I thank the member for Rainy River, the government House leader and the member for Brant-Oxford-Norfolk for bringing this matter to my attention. If we look back on the incident, certainly it was a serious incident, and I am not trying to downgrade it at all.

10:20 a.m.

In reference to standing order 1(b), to which the member for Rainy River (Mr. T. P. Reid) referred, I respectfully suggest that the precedent established earlier by the former Speaker was substantially different from the situation we have now.

The point the government House leader (Mr. Wells) raises is a valid one. It becomes a matter of judgement as to what is a minor offence and what is not.

When I named the member yesterday, I made it quite clear that he withdraw for the balance of the day. I did not attach any other stipulation to it that would indicate to him that he would have to withdraw his remarks before he regained entrance to the House.

It is a serious matter. If members feel this strongly about it, I again respectfully suggest that there is provision in the standing orders to move a motion.

It is not really the Speaker's responsibility to make a snap decision on this. I would like to have the opportunity of referring to precedents, to come to a conclusion over the weekend and report back to the House next week.

Mr. Shymko: It was my predecessor, Mr. Speaker, who was asked to withdraw his remarks by the former Speaker, and I believe the circumstances of the remarks made yesterday are no different from the earlier remarks by the former member for High Park-Swansea.

There is such a thing as equality. No one is more equal than anyone else. It is unfortunate that it was a member of the same party who was asked to withdraw and was penalized, and perhaps it affected the result of his election campaign in a major way. I feel equal treatment should be accorded this member and the same demand should be made for withdrawal of that remark.

Mr. Speaker: Order. This is beginning to take on the semblance of a debate.

Mr. Martel: Mr. Speaker, because the new boy has interjected, I want to say that I too have been thrown out. There is a precedent in this House that after one has served the time that was meted out, and it was that day's sitting, he is allowed back in. There is no comparison at all. In the instance when I was thrown out, it was after I was allowed back in that I withdrew. My friend should do his research a little better.

Mr. Renwick: Mr. Speaker, the point of order you have been asked to consider requires a very careful look at the rules of the assembly. I hold no brief for the rules other than to say they are the rules by which we are guided and must be addressed in accordance with their terms.

I respectfully draw to your attention that standing order 20 is not at all applicable to the circumstances that arose yesterday. The member for Rainy River is quite correct. In the event that took place yesterday when you called the leader of this party to order for an offence against the standing orders, it could not have been against standing order 19, because that one deals with matters that are in debate. This was during question period; the debate was not taking place.

I hear a sigh over there, but it is a question of understanding the rules.

My friend the member for Rainy River is quite correct; the matter is to be decided under standing order 1(b). I submit, Mr. Speaker, that you did make your decision yesterday and that you did make it in accordance with your understanding of the usages and precedents of the Legislature and parliament and, as I under-

stand it, you expelled the leader of this party for the remainder of that day. I therefore respectfully submit that the matter is now closed.

Mr. Cassidy: Mr. Speaker, accepting that the matter is now closed in line with your—

Mr. Kerrio: Withdraw.

Mr. Martel: Why don't you shut up for a minute?

Mr. Speaker: Order.

Mr. Cassidy: Accepting that the matter is now closed according to your ruling, I do recognize that the language I used yesterday was normally unparliamentary. While I have not changed my opinion at all, I withdraw the words that were objected to.

Mr. Speaker: I think this points out to all honourable members that when we become involved in emotional matters it has to be the responsibility of each individual member to exercise some self-discipline, some measure of self-control. I think, painful as it may be, an example has been served in this incident, and I respectfully ask the co-operation of all honourable members to be a bit more circumspect in the future in the language they use in this House.

Mr. Nixon: Mr. Speaker, I do not rise on any point of levity but simply to indicate that in my first point of order I indicated that the leader of the New Democratic Party was surrounded by admiring reporters. I have been corrected by at least some of the reporters and asked to withdraw it, and I now withdraw the word "admiring."

Mr. Speaker: Now perhaps we can get on with the business of the House.

Mr. Cassidy: On the point of order, Mr. Speaker: I thought maybe the tide had turned, but my hopes are dashed.

Mr. Speaker: Obviously not.

Mr. Riddell: A point of order, Mr. Speaker: The other night I was severely criticized for referring to the member for Hamilton Centre (Ms. Copps) as "just a great girl." One of those people who criticized me just got up and referred to "the new boy." I wonder whether he would like to withdraw that.

Mr. Martel: I am a sexist.

Mr. T. P. Reid: They are not sure about him.

ORAL QUESTIONS

HOSPITAL SERVICES

Mr. Breithaupt: Mr. Speaker, I have a question to the Minister of Health. Since his ministry

has cut out 5,391 acute care beds in the last five years from the health care system in this province, has the minister done any further studies with respect to the likely number of additional ward beds that will be further lost as a result of this new policy of allowing hospitals to raise rates for semi-private and private coverage?

Hon. Mr. Timbrell: Mr. Speaker, it is true that the number of acute care beds has been reduced. I am not sure at what point the honourable member is starting—

Mr. Breithaupt: Five years ago.

Hon. Mr. Timbrell: There were 38,637 approved acute care beds as at December 31, 1976. At August 31, 1981, there were 36,382 acute care beds, a reduction to be sure, but not of the order the member is describing. In that same period of time, the number of approved chronic care beds increased from 10,260 to 12,575. The number of nursing home beds approved and in operation has increased from 27,111 to 28,324. The number of approved extended care beds in homes for the aged increased from 12,518 to 12,901.

The total number of approved institutional beds as at December 31, 1976, was 88,526. The total number of approved institutional beds at August 31, 1981, was 90,182. To be added to that should be almost 800 nursing home beds that have been approved and are in various stages of planning or construction, plus such things as the 136 new medical-surgical beds under construction at Mississauga General and any number of other projects.

10:30 a.m.

Mr. Breithaupt: With respect to these changes, which were announced in the minister's speech to the Ontario Hospital Association, has the minister considered the amounts of money that will be raised by the proposed changes with respect to the raising of rates in cafeterias and parking lots and all the other things? And what will this mean to the hospital system as far as additional income is concerned?

Hon. Mr. Timbrell: As in all other things, the hospitals will be very cautious as they move into these areas. In the first year, our estimate, which is a very conservative one, is that these changes will generate something in the order of \$20 million, which will be something in the order of two thirds of one per cent of the approved ministry liability for the hospitals. However, \$20 million is a considerable amount of money.

A year and a half ago, we took a look at the

cafeteria operations at the hospitals. Our estimate was that if all hospitals would raise their prices to the point where they could at least break even and stop subsidizing cafeteria prices, that move alone could generate as much as \$10 million, which then could be redirected to patient services rather than to subsidizing meals in the cafeterias.

Mr. McClellan: Mr. Speaker, I am still curious. Will the minister tell us how the hospitals will set the prices for the new private and semi-private beds they have for sale? What does the minister expect the going rate will be for private and semi-private beds, for example, in Metropolitan Toronto?

Hon. Mr. Timbrell: Mr. Speaker, as I said yesterday, the hospitals will move slowly and cautiously. I meant to have the file pulled this morning, but my recollection is that it is less than two years ago that the capped semi-private and private rates were moved from \$11 and \$22 to \$16 and \$32 respectively, which at the time was quite a percentage leap. That was under the previous policy of a capped set of rates.

The changes will be small and slow in coming. The big effect will come in the rationalization area, not in these areas. These are additional incentives. But the biggest change in policy, and it is the first time this has been done in Canada, to my knowledge, is that we have turned around what some have come to view as the typical civil service mentality and said, "If you save money, if you end the year in the black, you keep the money and redirect it into patient care services, which is where as much money as possible should go."

Mr. Ruprecht: Mr. Speaker, the minister will fully realize that the new incentive program instituted here will seriously affect health care in Ontario. I want to know from the minister what guarantee he can give this House that there will be a bed available for any person who needs it and who is not able to pay for it. What guarantees will he be able to provide this House?

Hon. Mr. Timbrell: Mr. Speaker, first, I agree with the honourable member. These changes will seriously affect the health services of Ontario, but for the better. Now, for the first time, there are real incentives for hospitals, particularly with respect to the better than 30 per cent of hospital spending that is not now directed to patient care services, to rationalize in those areas and free up money that can be

applied to more and better patient services. The member is right; it will affect services very seriously, and very much for the better.

The member was not here yesterday when I spoke about the fact that our doctors and hospital administrators have a very solid and enviable record compared with those of any other jurisdiction when it comes to ensuring that people are admitted to the beds available based on medical need. That happens. It has always happened. It will always happen.

Also, the member obviously was not here when I reminded members several times of the sections of the Public Hospitals Act and the Health Insurance Act that legally require, first of all, that every approved bed in every public hospital in this province is an insured bed—every single bed. If, based on medical need, a person has to be admitted and the only bed available is semi-private, then that is what he will be put into whether he has coinsurance or not. It is in the law.

Mr. Breithaupt: The minister did not answer one portion of my question. We were asking about the number of ward beds to be cut out and that was not answered. But perhaps we can get that information otherwise.

ONTARIO ENERGY INVESTMENT

Mr. Breithaupt: Mr. Speaker, I have a question to the Premier with respect to the ongoing matter of Suncor, since the Treasurer (Mr. F. S. Miller) and the Minister of Energy (Mr. Welch) are not here this morning. We learned yesterday that in order to purchase the 25 per cent block of shares in Suncor the government had to pay a premium calculated at about 15 per cent to 25 per cent of the cost of that block. Since Suncor shares are not traded publicly, and since Suncor was dangled before a dozen buyers with no takers, why did the Premier not demand, and get, a discount on that purchase price, instead of paying a premium?

Hon. Mr. Davis: Mr. Speaker, I was not present yesterday, and I say that with some regret, because I understand it was a very lively discussion at caucus, and one that perhaps improved a little after the member for Hamilton West (Mr. Smith) departed.

Mr. Bradley: They did not like having him there, I will tell you that, because he had good questions.

Hon. Mr. Davis: I would be very disappointed if he did not have good questions. He should not be Leader of the Opposition in this province if

he does not have good questions. I would bring into question the fact that he has good questions every day.

I do not think one should be talking about a question of a premium. As I recall the discussions, and I was not part of the discussions yesterday, the offer made by the government of Ontario was somewhat less than that contemplated by another private sector organization. While the Leader of the Opposition has said, and is still saying as recently as this morning, that in terms of a business deal no one has said this was a good business deal, I just happen to have four or five quotes here from analysts, whom I do not know—I do not even know the firms, but I understand they are really quite reputable—who say, without question, it was a good business decision.

I would just remind the acting leader of the Liberal Party of Ontario—a gentleman who aspires to be leader of that traditionally great party that has had its ups and downs; I will not describe where it is at the moment—that if one looks at this very carefully, one has to accept the fact that while one can debate, and I think it is very fair to debate, the philosophical aspect of whether government should or should not be involved, in the context of its being a good business decision—as to the amount that was paid and the agreement that has not been finalized, but I think we know the substance of that agreement—there appear to be a number of competent people who have said it is.

I go back to some observations made by the Leader of the Opposition with respect to the whole question of Canadianization. I would refer him to the very excellent address given by Mr. Hurtig to his annual meeting in Hamilton, and the enthusiastic endorsement of that philosophy by his own leader, which is not inconsistent with what this government is doing with respect to its acquisition of a 25 per cent interest in Suncor.

I understand it is relevant that we talk about world price for synthetic oil. If my memory serves me correctly, the Leader of the Opposition suggested—I do not know whether it was to caucus or to the press—that I was opposed to “world price” for synthetics. My recollection is that as we moved into the Syncrude acquisition, where we participated, it was predicated on a price that I think at that time—1973, 1974, whenever the date was—was above world price.

I wish the member for Kitchener would take a message to his leader from me that in the context of my point of view on synthetics he is

somewhat in error. I will not use any stronger language than that. But I think if he goes back and checks with his own expert on energy, he will find this really led us to the concept of the blended price, the blended price being a much higher price for the synthetics.

10:40 a.m.

I think we used the phrase "to reflect the actual cost of production." That is irrelevant to the question, I confess that, but in that the Leader of the Opposition raised this yesterday, raised it in caucus, if the member will please check the record he will perhaps find my point of view or impression is as accurate as his, maybe even a little closer to what was said.

Mr. Breithaupt: I recognize the need for the Leader of the Opposition or anyone to ask good questions. I hope the Premier will now attempt to give a good answer.

Since it is clear in each year over this next foreseeable 20-year term, that each share of Suncor will earn \$6 and cost \$8, and since we are now told that Ontario is buying those shares in order to get Suncor into a position where it could take advantage of the new rules of the Canadianization game and provide a stepping stone for other investors, why did the government willingly and knowingly pay a premium to be the stepping stone?

Hon. Mr. Davis: I have not had nearly as much experience in negotiating in the private sector in recent years as my learned friend, who I know still maintains a modest interest in economic activities; through the practice of law is what I am suggesting. He still keeps a modest interest in the private sector. I understand that.

My understanding of these negotiations is very simple. It is not a question of paying a premium; it is a question of arriving at a price, arriving at a price that is a market price, that is a fair price for the assets that are being purchased. I just want to give the member a quote from—

Mr. Bradley: What does Scott Fennell say?

Hon. Mr. Davis: Listen, with great respect to Scott, he is a very fine person, a great Conservative, who I would not doubt is philosophically less than enthusiastic.

But I have to say to the people across the House, I listened very carefully when the national energy program came down. I did not hear a word of opposition from people opposite. I did not hear a word of opposition with respect to Petro-Canada's acquisition of Fina.

Interjections.

Mr. Speaker: Order. Would the Premier just address the question. Never mind the interjections, please.

Hon. Mr. Davis: Yes. If the member wants to compare the Fina arrangement with this one, I have to tell him—

Interjections.

Mr. Speaker: Supplementary, the member for Ottawa Centre.

Mr. Cassidy: Mr. Speaker, we learned yesterday from the representatives of the Ministry of Energy and of the Ontario Energy Corporation that Ontario actively supports Suncor's proposal to make public shares available to Canadians, a proposal which in effect will mean that the 49 per cent that will be held by Sun Oil in the United States will continue to be the controlling interest in the company, because the Canadian ownership will be spread through several hands and not be concentrated in a way to control the company.

Could the Premier explain why it is, if the government does support Canadianization, it has now embarked on a policy with Suncor which will give the appearance of Canadianization but will, in fact, leave control of that company in perpetuity in American hands?

Hon. Mr. Davis: Mr. Speaker, I think we made it abundantly clear when the initial announcement was made that the government of Ontario was not seeking control in the sense of management control of Suncor. We made that abundantly clear. I think any decision with respect to the other 26 per cent, whether it is to Canadians generally or a group of Canadians or a single corporation or group of corporations, the relevant issue is that there be that 26 per cent to be owned by Canadians so that this company will conform to the federal guidelines and the incentive tax policies that exist. That is the foundation and the principle of the national energy policy.

Interjection.

Hon. Mr. Davis: No one is questioning whether or not 51 per cent—one can argue whether that gives control or does not give control. My recollection is if one has 51 per cent, one does have some modest measure of control.

Mr. J. A. Reed: Mr. Speaker, yesterday's meeting with the experts actually raised as many questions as it answered. During that time the subject of confidentiality, that subject which was the basis of the refusal to provide the

McLeod Young Weir reports to this Legislature, did not even arise. Understanding that, and that this whole area of confidentiality may be something of a red herring, will the Premier now agree to let the Suncor issue go before a legislative committee the way it should have been done in the first place?

Hon. Mr. Davis: With great respect, Mr. Speaker, I am not sure it is a matter that should go before a committee of the House with respect to the decision. With respect to questions about it, with respect to information, I have no quarrel with that whatsoever. I would just say, if members did not raise the question of confidentiality yesterday in their discussions—

Mr. Martel: We did.

Hon. Mr. Davis: I got the impression they did not, and if they did not raise it, I would only ask why they did not.

All I know is that I have a copy of a news release dated as recently as November 13 in which Suncor makes it quite clear it does not agree to the release of this documentation. The Ontario Energy Corporation has signed a letter with Suncor on the basis of that confidentiality. I think, as the minister has explained to members, Suncor themselves have not seen this documentation. I was interested in some of the observations in the paper this morning from others; that is fine.

I would only say to the honourable member, the part that I cannot quite get my mind around is the fact that a number of people who are fairly knowledgeable in the field, analysts who deal in the gas and oil industry, have been able—

Mr. Kerrio: They are all wrong.

Hon. Mr. Davis: The member can say they are wrong, but the fact is they have been able to do an analysis. They have been able to take a position with respect to whether this was a good business judgement or not. I think it is also fair to state that no amount of documentation will change the mind of the leader of the member's party, as contradictory as his position is.

The honourable member does not want information to determine whether or not he agrees with the deal, because his party leapt into the fray on day one, automatically opposing us. I am going to be very intrigued at the honourable member's leadership convention, and how he rationalizes his position with the delegates who will be there representing the federal Liberal Party, which they like to embrace on some days, totally reject on other days, because

it is totally consistent with what they have outlined as the national energy policy for Canada.

Mr. Cassidy: Mr. Speaker, I have a new question which also relates to the Suncor question which I want to direct to the Premier. Yesterday we learned from the experts who came before our caucus that threequarters of the information which they had prepared was not, in their opinion, sensitive, and that information could, in fact, be released to the Legislature, and through the Legislature to the public.

In view of the fact that Sun Oil sought some 15 buyers for Suncor to meet the requirements of Canadianization before it finally came around to do a deal with the Ontario government, that is that Suncor and Sun Oil need this deal to meet Canadian legal requirements, will the Premier now step in and will the Premier insist that Suncor agree to having that information which is not sensitive made available to the public as a condition of Ontario's going forward with the Suncor purchase?

Hon. Mr. Davis: Mr. Speaker, once again, I was not part of the discussions in the NDP caucus yesterday. If, in fact—and I will discuss this with the minister—there are documents, or there is information that those people who have advised us, and who in turn know of the letter of confidentiality, feel on consideration is in fact not the kind of information that needs to be included in that document or that letter of confidentiality, and if Suncor agrees, heavens above, I would be delighted.

I cannot make any judgement with respect to what will have an impact on that document or not. It is not my position to make that sort of judgement. I do not pretend to be an analyst, but I can assure the honourable member, if, in fact, there is material—and I emphasize “if”—that those who prepared these reports and advised the the government feel is not sensitive, and if Suncor agrees it is not sensitive, then of course it will be forthcoming. And I am sure that information, if, in fact, it becomes available, will convince the member to be more enthusiastic than he has been in the past about this acquisition.

I know full well that whatever information is made available, if it is, will not change the position of that great Liberal Party, that far-seeing Liberal organization that is always looking to the future. It has that great tradition which it has so completely abandoned in the last couple of years in the political history of this province.

Mr. Cassidy: The Premier seems to think that the office of Premier of this province has no particular authority in this particular case. He seems to think that even if Ontario taxpayers are contributing \$650 million to Sun Oil—and that is a lot of money—it cuts no ice either. He is saying Ontario will enter into a deal which will leave control with Sun Oil in perpetuity and when it comes to getting information he will leave it completely up to Sun Oil as to whether or not it will make the information available.

10:50 a.m.

Is the Premier not aware that according to the confidentiality agreement, which I have a copy of here, representatives of the Ontario Energy Corporation could have access to all the information? That would include members of this Legislature, who have a need to know such information, and that requirement could clearly be met.

Will the Premier agree to have a legislative committee established where members from the three parties would examine all the information made available by Suncor and prepared by McLeod Young Weir and Price Waterhouse on the same basis as the Re-Mor committee went through the Re-Mor files? These were available through the Ontario Provincial Police and the committee was able to establish what information could be made available to the public and then have that information made available to the public.

Will the Premier undertake to do that? Is he not aware that if he does not, the only people who will continue to believe in this deal will be the Premier and the Minister of Energy?

Hon. Mr. Davis: In glancing at the confidentiality agreement, I do not read it quite the same way as the honourable member reads it, but that is fine.

It is fine to say the Premier's office can do this, that and the other thing. I think there is also some responsibility on the Premier's office or on the government that when they enter into an agreement they honour that agreement. The leader of the third party can disagree with that as a policy but I think there is some responsibility to honour an agreement. The member may not believe that is true. I happen to think that is something of an obligation. I also think the member raised this possibility with the Minister of Energy and I think the Minister of Energy has replied to it.

I just want to make it abundantly clear this government is not anxious to maintain informa-

tion that might lead to a greater measure of understanding. We have made the determination, quite obviously. Those who advised us are quite content with the information. But we do have this commitment in terms of the understanding that was reached, which poses that problem.

I speak for the Minister of Energy when I say it is not our intent to maintain any confidentiality for material that does not need to be confidential. I will explore that with him on the basis of the discussions that took place in the NDP caucus yesterday.

Mr. Roy: Mr. Speaker, the Premier keeps telling the people of Ontario what a good deal this is. The basic difficulty my electorate has, those of us who are unsophisticated in financial matters, is if he has such a good deal why does he not show his hand?

The Premier apparently has read the article in today's *Globe and Mail* by Clarence Shepard, wherein the writer suggests the investment is not as good as the government has said and that is the real reason they are refusing to put any pressure on the other party to disclose this information. He says the Tories "are putting a gag in their own mouth." He goes on to say confidentiality is not so much a matter of law but a matter of "practice and custom." Given the fact that \$650 million constitutes public funds, does the Premier not feel some duty at least to give some disclosure?

Why does he not admit the real reason he does not give disclosure is because of his practice that he refuses to divulge anything, whether it is public opinion polls or other decisions? Why does he not admit that and say to the people of Ontario, "We do not give disclosure because it is not such a good deal" or "we are afraid to see the deal in the light of day"?

Hon. Mr. Davis: Mr Speaker, I realize the member for Ottawa East is using his traditional rhetoric that he might be using before juries and whatever. I am even surprised he is not running for the leadership.

Mr. Roy: I just earn an honest living.

Hon. Mr. Davis: I will never quarrel with the honourable member earning a living. My guess is he earns a better living in the courts than he does here. That is only a guess.

Mr. Roy: What has that got to do with it?

Hon. Mr. Davis: Nothing. I say that with perhaps some envy.

I suggest the honourable member, in the

latter part of his question, was not stating a question at all. He was making an observation which is totally, factually incorrect.

I read the article, the interview with Mr. Clarence Shepard, the former head of Gulf. I am not going to quarrel with Clarence in this Legislature. I might have some modest disagreements with him when I see him next and I might say on a personal basis, "Clarence, would you have given out the market analysis of Gulf Canada when you were president of that great organization?"

I think I know what his answer would be. I could ask him, with respect, whether he would honour an agreement he signed, a letter he signed on behalf of Gulf Canada when he was president if that letter led to confidentiality. I do not quite understand how somebody can make those observations if he is saying the deal might not be as good as we are saying. I do not know what information he bases his opinion on.

Mr. Kerrio: He is an expert.

Hon. Mr. Davis: If the member is saying he is an expert, then he is basing it on the information he has, which the members say is insufficient. I want to make the point abundantly clear that we are not attempting to hide anything, but we do have a commitment made, a letter executed on behalf of the government with respect to some aspects of confidentiality. We cannot ignore that undertaking.

Mr. Cassidy: I suggested yesterday the officials of the government were acting like Babes in Toyland when they went ahead with this deal. I begin to wonder if it was not like the slaughter of the innocents.

My question to the Premier is this: Since the Ontario Energy Corporation and the Ministry of Energy carried out no independent studies with respect to this deal but took advice only from outside advisers, was the Premier aware, in undertaking the deal, that the cost to the Treasury, after the dividends that would be received from Suncor, would be in the order of \$60 million to \$80 million a year and that would go on for a substantial number of years before, if ever, it crossed over and money actually began to accrue to the Ontario Treasury?

Was the government aware of those substantial costs, particularly in view of the other competing demands on government dollars?

Hon. Mr. Davis: I think I could go back in the records of this House and find figures in excess of that which the leader of the New Democratic Party has suggested we allocate to the whole

field of energy or the resource sector. If I took some of his statements and figures, they would be well beyond the possible \$60 million. If he looks at them carefully, he may find they would escalate to several times that figure in terms of what he would suggest we become involved in with respect to the resource sector. I think that is abundantly clear.

I think the honourable member is contradicting himself in his own question. He cannot talk about independent advisers at the same time he is talking about outside advisers. There is no question that the people who advised the government were independent of government. I cannot tell him any more than that. He met with them. I think it is obvious they are independent of government. I would like to think that after the member's discussions with them he felt they were relatively competent, because they are regarded as being competent by 99 per cent of the people in the industry.

HOSPITAL SERVICES

Mr. Cassidy: Mr. Speaker, I have a new question for the Premier with respect to his speech on Monday and the announcement about the new business-oriented system of hospital administration the government intends to bring in. I want to ask the Premier about a case where two doctors order their patients put into private hospital beds in an Ontario hospital and both say a private bed is required for health reasons.

In a case where one bed is available, where one patient has coverage and can pay for the bed and the other patient does not have coverage and does not have the means to pay for the bed, is it not correct the hospital administrator will wind up making the decision which patient gets the bed, which patient is put on a stretcher and that for profit reasons the hospital administrator will tend to give the bed to the patient who can pay?

Hon. Mr. Davis: I do not know many hospital administrators but I will tell the member what I think the hospital administrator of Peel Memorial Hospital would do. Being a decent, competent individual, he would simply ask the medical staff, since this is the policy in the hospital and I assume it is the policy in all hospitals, "Who has the greatest medical need?" The decision will be based on need determined by the medical staff of Peel Memorial Hospital. I think the member will find that is true in 99.9 per cent of the hospitals in Ontario.

11 a.m.

While I am on my feet, I did not enter into the discussions yesterday and I am not going to provoke the members except to explain to the leader of the New Democratic Party that if he would read the press very carefully, there was a story or a series of news releases or speculations on Monday morning that related to the possibility of the government of Ontario introducing "new user fees." I appeared at the Ontario Hospital Association on Monday and I made it abundantly clear that Ontario was not going to introduce new user fees.

Mr. Cassidy: If the Premier wants to split hairs, the moment a hospital in the province decides to add one bed over 50 per cent in terms of the beds for which it will charge a semi-private or private user fee, by God that is a new user fee and we are opposed to it.

Given that the government has also told the hospitals there will be more local autonomy, more independence and less direction from the Ministry of Health or from the centre, why does the government intend to do what the Premier has just said, enforce a requirement to ensure that people who just have OHIP coverage will get private or semi-private rooms if that is all that is available or if that is what is medically required?

How will the government ensure that takes place and that profits for the hospitals, which already have been tripled by the announcement the minister made this week, will not lead hospitals to give preference to people who have supplementary coverage or the ability to pay for those private rooms?

Hon. Mr. Davis: I do not know what tripled in the last 48 hours. I am not being provocative, but if the honourable member will read yesterday's Hansard from roughly 3:30 p.m. on, when he was unfortunately not part of the debate, as he chose not to be, he will find that question was answered very clearly, very definitively and in a way he will understand, by the Minister of Health.

Mr. Ruprecht: Mr. Speaker, I have a very simple question for the Premier. Does the Premier of this province believe it is more important for our hospitals to meet that balance sheet or to provide good hospital care? I would like to know his answer to that.

Hon. Mr. Davis: Mr. Speaker, I like to think the two are not mutually exclusive. I think it is the obligation of the hospitals, the government and everybody in the health system to provide

good quality health care. That is a very simple answer to a simple question emanating from a particular source; I will not say a simple source.

Mr. McClellan: Mr. Speaker, may I ask the Premier again, and it is not a hypothetical question: Next summer, when we have the normal summer bed closures and the hospital has up to 26 patients in the corridors waiting for a hospital bed, as we have had numerous times in the last four years, can the Premier assure us that the hospital is not going to decide the allocation of beds on the basis of who can afford to pay for private and semi-private beds as opposed to those who are covered under medical insurance for standard ward beds?

Hon. Mr. Davis: Mr. Speaker, I can only say to the honourable member what I said to the leader of his party. He is being just a little bit cynical about the hospital community. I really think he is being cynical about the medical staff and the people in charge of administration.

I do not know many hospitals well but I will refer to Peel Memorial, that is the one I know. I would suggest once again, with respect, that if there are 26 patients, which I do not think will be the case, but if there were in mid July, the decision as to who would get access to what room would be made on the basis of a medical judgement.

I happen to believe in the people who are running our local hospital. I happen to believe in the capacity of the medical staff to make those judgements. If the member does not have that measure of confidence, if he does not think hospital administrators and doctors act in that fashion, then I think it is a matter of regret as to his own outlook.

ECONOMIC POLICY

Mr. McGuigan: Mr. Speaker, in the absence of the Treasurer (Mr. F. S. Miller) I would like to ask the Premier if he agrees, now that the Canadian dollar is close to the 85-cent mark, that this must provide a windfall to his government? It would have budgeted its interest payments at a lower rate of Canadian dollars. Could he not use that windfall to help the farmers, the home owners and the small businessmen who are besieged with high interest rates? Could he not at least bring some hope and some faith that instances such as happened in the chamber yesterday will not be repeated day after day throughout the balance of this year?

Hon. Mr. Davis: I will not comment about yesterday. I think we all feel some regret, Mr.

Speaker, and I will not be provocative. I did speak to one or two members opposite with respect to what I sense was some modest applause when that event was taking place.

I can only ask the member if he could go the other route? What if the Canadian dollar dropped on Monday and Tuesday? I think it is perhaps a little bit premature, because the dollar dropped marginally yesterday as a matter of fact. I do not know what it is doing today. I think it is very premature to say, because the dollar appears to be strengthening, this will automatically free up funds for the Treasury. The Treasurer will give this information on Monday, but a good part of our borrowings are in Canadian funds in any event. If the member for London Centre (Mr. Peterson) were here, he could tell exactly how many dollars it is.

Ontario Hydro is the prime borrower in the US market and has been for the past number of years. That is not our borrowing and that borrowing does not reflect itself in our budgetary process. I do not know how much of our public debt would be affected by a strengthening of the Canadian dollar. I wish I could assure the honourable member that trend is going to continue, but I am not sure of that and I do not think the Treasurer is. As a result I think it would be premature to say, "Here is some additional money."

That really is not the issue, in my humble opinion. The issue is the problem faced by the agricultural community. I have had discussions with the president of the Ontario Federation of Agriculture as recently as a few days ago, along with the Treasurer and the Minister of Agriculture and Food (Mr. Henderson). We discussed with the president of the federation the approach to the Biggs report. The member heard what the minister said yesterday and on Tuesday. I think we have demonstrated conclusively it is hard to develop programs where there is equity, because some farmers are hurting more than others. The member finds this in his riding; I find it in mine.

The problem is to find programs where one can say to people who are not participants they are being treated equitably in terms of others who are receiving some assistance. We have singled out the red-meat industry. I think most people in the farm community would acknowledge the red-beef industry probably is the one that has been impacted the most. As a government we demonstrated on Tuesday we are dealing with it on that basis and we are prepared to assess other parts of the Biggs report to see if there are further steps we might take. I assure

the honourable member and other members representing the rural or agricultural communities of this province that this government is quite aware of the difficulties facing the agricultural community.

Mr. McGuigan: Supplementary, Mr. Speaker: Does the Premier realize other segments of the farming industry are hurting? The common denominator right across every farm is the interest rates. Surely the Premier realizes the Bank of Canada is determined—and this seems to be borne out by their actions—to keep the dollar up around the 85-cent mark. I would ask him to have the Treasurer do some calculations and see what money he has saved or is about to save on the basis of the dollar staying at 85 cents, so that some help can be given across the board, not just to individual segments such as the red-meat industry.

11:10 a.m.

Hon. Mr. Davis: Mr. Speaker, I will certainly discuss this with the Treasurer. I would expect we will be getting some assessment of the Biggs task force report, as it is described. I assure the honourable member we are every bit as concerned about the agricultural community as he is. From my own information there are sectors of the agricultural industry that have been impacted in a negative sense more than others. It is true in small business, it is true in many other aspects because of high interest rates. The problem is to develop a program or series of programs that address the problems and that are equitable.

While the farm community generally is having problems, it is also fair to state it is not so bad for those farmers who have discharged whatever mortgage obligations they may have had over a period of years. This is so perhaps in the milk part of the industry where there have been price increases and the commodity price is not a major problem. Some people in the milk industry, and I happen to know some, are not as hard pressed as people in the beef industry. I think the honourable member acknowledges the differential.

Mr. Nixon: The Premier may recall a meeting at the Constellation Hotel in which his colleague the Treasurer indicated there was a sum of money amounting to as much as \$100 million that could be applied for assistance in the farm economy. When he was talking to the Ontario Federation of Agriculture just last week he indicated additional programs would be announced before Christmas.

The Minister of Agriculture (Mr. Henderson) has announced a cow-calf assistance program. Can the Premier assure us this is not the only program the Treasurer had in mind when he made his two previous announcements and that there will be more initiatives forthcoming before the House rises in a week or two?

Hon. Mr. Davis: Mr. Speaker, once again it is always a little bit awkward for me to comment on statements that may have been made or were interpreted in such a fashion. I happened to be at the meeting at the Constellation. I was not with the Treasurer when he met with the federation people about a week or so ago, so I am not really privy to exactly what was said.

I do know the Treasurer made it quite clear at the Constellation that we would be seeking ways and means to give assistance and I think we have demonstrated that. I cannot give the exact figures but I think there were two programs that probably come close to what—\$50 million, \$60 million, maybe \$70 million?

Mr. Riddell: Fifty-seven million.

Mr. Nixon: There should be another \$43 million sitting in the kitty somewhere.

Hon. Mr. Davis: With great respect, if there is any kitty I don't know of it or where it is sitting. But I think we have demonstrated as a government that if there are problems and if we can find an equitable solution, we try to minimize them. I cannot give the member any further commitments because I was not present when the Treasurer made whatever observations he made.

Mr. Speaker: A new question, the member for Sudbury East.

Hon. Mr. Davis: I see the member for Riverdale is the latest Liberal leadership candidate.

Mr. T. P. Reid: There is room for all.

Mr. Speaker: Order.

EMPLOYEE HEALTH AND SAFETY

Mr. Martel: I have a question of the Minister of Labour (Mr. Elgie) regarding the firing of Laurie Meaden by a small jewellery manufacturer in Toronto for refusing to work under conditions she considered unsafe. Is the minister aware of a decision by the Ontario Labour Relations Board which states the following:

"Miss Meaden, nevertheless, did have reasonable grounds to believe that the equipment and the physical conditions of the work place were likely to endanger her and further, her

abrupt discharge by Mr. Swartz effectively deprived her of the ability to pursue such rights as she might have under section 23."

Is the minister further aware that Miss Meaden contacted the occupational branch, a Mr. O'Reilly, prior to her refusing to work, and at the time she was dismissed for refusing to work, she again contacted the same Mr. O'Reilly and he refused to go out to investigate it and did not investigate until two weeks later? What type of investigative process is going on that would see this woman dismissed and they would not go out there to assist the woman?

Hon. Mr. Elgie: Mr. Speaker, I have not read the decision. I understand what the member is calling a dismissal was considered a constructive dismissal. The difference is really minor.

While I am not commenting on the decision of the board, I would like to comment on the facts of the case a bit. Either some facts were overlooked or they were not brought to the board's attention. Whatever the nature of the dismissal was, I guess it occurred on May 5. The industrial health and safety branch was contacted by Mrs. Meaden on May 6, and a visit was made by an inspector to that—

Mr. Martel: I have it here.

Hon. Mr. Elgie: I am telling the facts. I do not care what the story in the newspaper says—

Mr. Martel: No, I have the decision.

Hon. Mr. Elgie: I do not care what the decision said. I am—

Mr. McClellan: He doesn't care about that either. He doesn't care about the facts.

Hon. Mr. Elgie: Could the member sit still for a minute? Remember what the Speaker talked about today—decorum and students in the audience and all that stuff. They like to know, as I do. If an answer is requested people will listen to it.

I am advised and have confirmed from the records and personal conversations with the assistant deputy minister in charge of occupational health and safety, Dr. Robinson, that an inspector visited that jewellery plant on May 6, the same day the complaint was received.

Mr. Martel: I am only going by the decision.

Hon. Mr. Elgie: I do not care what the member is saying. I am telling him what the industrial health and safety records show. I am also advised that the inspector put in a request for an occupational health physician to visit that establishment, and he did so. But that did not

occur until some time after. I understand that. I am looking into why there was that untimely delay.

Mr. Martel: Oh, you admit there was a delay?

Hon. Mr. Elgie: Hang on. The member did not listen to me. An inspector visited the jewellery shop the same day the complaint was received and, in his determination, it was not a matter that needed an emergency call put out for a physician to come in and do some testing. He did consider testing was required, and he did put in a request for a physician. A physician attended, did the appropriate testing, reached his conclusions and made those conclusions known. The only thing the judgement apparently overlooked is the fact the inspector visited on the day of the complaint. I do not think one can be criticized for that.

Mr. Martel: Supplementary, Mr. Speaker: In view of the decision by the board, which states, "We can draw no other conclusion but that she was discharged because she chose to exercise that right," that is a clear contravention of article 24(1)(a) of the Occupational Health and Safety Act. Will the minister indicate, because of that violation, if charges have been laid against the company? And is the minister not aware if he does not bring charges the act becomes totally useless, because people will not exercise their right to refuse to do something they consider to be unsafe for fear of dismissal?

Hon. Mr. Elgie: Mr. Speaker, I shall not argue about whether one should have the right to refuse work that is perceived to be unsafe. There is no argument about that. But if the member will read the decision, there was not—and maybe there should not have to be—a formal refusal to work. On the facts of this case it was a very different sort of situation, and the labour board considered it to be constructive dismissal. There may be a fine line between the two in this case. I do not know that. Certainly I am prepared to look at it—

Mr. Martel: Did you lay a charge?

Hon. Mr. Elgie: One cannot lay a charge unless there is a whole procedure under the Occupational Health and Safety Act of a refusal to work, initial consultations, and a calling in of the inspector over the refusal to work. That did not occur.

Mr. Martel: She did call and the minister knows it.

Hon. Mr. Elgie: She did not call over that issue.

CANADIAN ADMIRAL

Mr. Kennedy: Mr. Speaker, I have a question for the Minister of Industry and Tourism (Mr. Grossman). With respect to the Admiral plant closure, will the minister report on the state of discussions or negotiations, if they are still taking place, which might lead to the reopening of this plant and restoration of jobs?

Hon. Mr. Grossman: Mr. Speaker, I appreciate my colleague's ongoing interest and the attention he and the member for Cambridge (Mr. Barlow) are paying to this very serious matter. I should report that the discussions are still continuing, happily. We cannot be sure they will reach a successful conclusion, but several of the parties are still involved, talking and spending a lot of serious time and money in terms of the cost of staying in negotiations for an extended period of time.

11:20 a.m.

I always avoid giving my own guess as to whether it will turn out successfully, but it is important to note that discussions are continuing, that everyone believes it is worth while to stay at the table and that appropriate steps are being taken to ensure there is no cherry-picking in the plant or the dismantling of the operation. Steps are being taken to ensure there are two plants in place ready to be reactivated if the other details can be worked out.

Mr. Kennedy: Could the minister say if representatives of the Ontario Development Corporation are involved in these discussions? How soon in the foreseeable future might we have some conclusion?

Hon. Mr. Grossman: We are staying abreast of those discussions and are well-informed on their progress. We have indicated that if our participation is necessary to bring it to a conclusion financially or any other way we would be prepared to do so. It is difficult to predict when there will be a resolution one way or the other. It could happen literally any time between a week and six weeks. I would expect something would develop somewhere within that time frame.

Mr. Breithaupt: A supplementary question, Mr. Speaker, by way of redirection to the Minister of Labour (Mr. Elgie) with respect to the Admiral situation: Some time ago the minister announced claims had been made to the receivers on behalf of the employees pursuant to the Employment Standards Act. Now that the company has been petitioned into bank-

ruptcy by a group of five creditors, can the minister advise us, with the ongoing interest we all have in this situation, what impact the formal bankruptcy will have on the status of those claims in the Admiral circumstance?

Hon. Mr. Elgie: Mr. Speaker, the previous agent and the previous receiver, on behalf of the Caisse de dépôt et placement du Québec, had already been advised of the claims with respect to vacation pay and the employment standards branch is expected to have the other information regarding other wages or other benefits owing within the next week or two.

I am not sure whether the fact it has been changed into a bankruptcy from an insolvency situation affects the status of those claims significantly. The member will recall the Supreme Court of Canada has clearly said no province and no lien can change the ranking of people within the Bankruptcy Act, nor can any lien take precedence over a pre-existing right that occurred prior to the deposition of other liens, for example. I would like to get that confirmed by my counsel, if I may, but my opinion at the moment would be the status really has not changed as a result of that.

Mr. Breithaupt: Will you report to us if the information is otherwise?

Hon. Mr. Elgie: Yes, if the opinion is otherwise, I will be pleased to report to the member.

GAS FURNACE VALVES

Hon. Mr. Walker: Mr. Speaker, I would like to respond to a question asked November 17 by the member for Essex North (Mr. Ruston) about the refusal to approve the use of electrically operated vent dampers called Vent-O-Matic which are being promoted as energy-saving devices.

A standard does exist in Ontario for electrically operated automatic vent dampers. However, they have to be certified for use with new gas-fired furnaces on the condition that a B vent or a factory A chimney be used on the vertical part of the venting system.

I do not want to go into the technical details of these but basically they are insulated devices rather than a simple brick chimney. I am prepared to write to the member and set out in more detail the answers to it, but generally speaking our concern is really with life safety.

If one of these automatic vent dampers should fail, it would cause products of combustion to be spilled into the furnace room and the production of lethal concentrations of carbon

monoxide gases would occur. The problem is basically that one has a furnace chimney and the chimney is closed by an automatic device. If it stays closed, perhaps during an electrical failure, the carbon monoxide buildup will be deadly.

It is important to note that, when an existing furnace is retrofitted with an automatic vent damper, several conditions are created which do not meet our own criteria for safety. First of all, there is the technical expertise required to marry this device successfully to an existing furnace. In the factory situation, as the member brought to our attention, the automatic vent damper is interconnected to a new furnace by technicians trained to work on a single furnace. However, in the field the fitter may be required to install automatic dampers on a variety of existing furnaces; there is where the danger occurs, and that is a problem.

There are a variety of other problems with it, and we simply cannot make an approval until we are 100 per cent sure that death will not occur as a result of these dampers. In the case of the new furnaces, they are being installed by factory-trained people on factory-made furnaces made for that purpose. In the retrofit cases, all of us are very frightened about the prospect of death.

HANDGUN SALES

Mr. Spensieri: Mr. Speaker, a question of the Minister of Consumer and Commercial Relations: I wish to draw the minister's attention to the recent reports of handgun proliferation among the youth in the Jane-Finch area of North York. Most of the guns that have been seized have been doctored from starter pistols; some of them are being doctored in our high school shops. These so-called innocent guns may be purchased in hardware stores or even in variety stores; the purchasers do not need permits.

In view of all of these facts, will the minister consider making representations to the federal Minister of Justice, and will he consider appropriate steps the province may take to control the sale of these pistols and to minimize the opportunities for such abuse?

Hon. Mr. Walker: Mr. Speaker, this is certainly a serious matter, and I will have it drawn immediately to the attention of the Attorney General (Mr. McMurtry), who was here earlier this morning. I think he will want to comment on that through his responsibilities either as Attorney General or Solicitor General.

As it turns out there will be a meeting on

Monday, Tuesday and Wednesday of the ministers responsible for justice in Canada. That will be held in Ottawa and it should afford an opportunity to draw to the attention of the federal minister just such a consideration.

Mr. Spensieri: Can the minister then indicate whether he is likely to make suggestions or representations to the federal minister to include specific provisions requiring purchasers to be of a certain age and to possess permits for the purchase of these guns? Will he limit the sale of these guns to approved gun shops only and restrict the sale of these pistols by appropriate penalties for shopkeepers?

Hon. Mr. Walker: I think the arguments made in the question are warranted, and they will certainly be looked into. If these starter pistols are being converted into weapons that can inflict the kind of damage that is being suggested here, obviously they have to have applied to them the same kinds of rules and regulations that we apply to all other handguns.

STATUS OF COMMISSION

Mr. Stokes: Mr. Speaker, I have a question for the Provincial Secretary for Resources Development.

The Royal Commission on the Northern Environment has cost the taxpayers about \$6 million and is losing staff, and now, finally, Grand Council Treaty 9 say they have lost all confidence in the royal commissioner to respond and report on the terms of reference that were assigned to it more than four years ago.

Is the minister aware the royal commission has asked for a substantially large amount of money from the cabinet and that it will not be able to report for at least another two years?

Will the government and the secretariat look into the possibility of appointing somebody else as the royal commissioner so that this work can proceed and live up to the hopes and aspirations of a good many people in northwestern Ontario for the success of that royal commission, which is going nowhere at present?

Hon. Mr. Ramsay: Mr. Speaker, I am aware there have been two meetings held within the past month with the royal commissioner and various deputy ministers of this government to try to ascertain exactly when the report will be forthcoming and what additional studies are still required.

This was the subject of a further discussion at the cabinet committee on resources development just yesterday. We hope to have the matter

resolved prior to the end of this year or very early next year as to the termination date of the commission and as to exactly what studies will be made in the remaining months and the date of the final report.

As far as Grand Treaty 9 is concerned, I arranged just yesterday to meet with Chief Wally McKay to discuss this matter on Monday, December 14, at 10 a.m. in my office. I believe that both the cabinet committee on resources development and my secretariat are very much up to date on these matters and are dealing with them as expeditiously as possible.

11:30 a.m.

MOTIONS

BUSINESS OF THE HOUSE

Hon. Mr. Wells moved that notwithstanding any previous order, the House will meet in the chamber on Wednesday next, December 9, at 2 p.m., and on Thursday, December 10, from 10 a.m. until 1 p.m., with routine proceedings at 2 p.m.

Mr. Speaker: Shall the motion carry?

Mr. T. P. Reid: No. That is cruel and unusual punishment.

Mr. Speaker: Carried? Carried.

Motion agreed to.

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Hon. Mr. Wells moved that the standing committee on public accounts be authorized to sit on the morning of Tuesday, December 8.

Motion agreed to.

TRIBUTE TO DR. PAUL POISSON

Mr. Ruston: Mr. Speaker, before the Orders of the Day, I would like to draw the attention of the House to the passing of Dr. and Colonel Paul Poisson who was a member of the Legislature for Essex North from 1926 to 1934. I want to say how well respected he was in his community. He was the former mayor of the town of Tecumseh. I had known him for a number of years when he was connected with a medical co-operative and through his medical profession as well. He was one of the first ones to congratulate me on my election in 1967. I just want to say how much we give sympathy to the family.

Mr. Speaker: I am sure all members of the Legislature will join in expressing their sympathy to the family.

ANSWERS TO QUESTIONS ON NOTICE PAPER

Hon. Mr. Wells: Mr. Speaker, I wish to table the answers to questions 223 to 236, and the interim answers to questions 250 to 254, standing on the Notice Paper. (See appendix, page 4243.)

ORDERS OF THE DAY

House in committee of supply.

ESTIMATES, MINISTRY OF INTERGOVERNMENTAL AFFAIRS (continued)

On vote 601, ministry administration program:

Mr. Chairman: We are continuing with the estimates. Unfortunately, I will have to have my memory refreshed as to a specific speaker on vote 601. Did the minister have a comment?

Hon. Mr. Wells: Mr. Chairman, as I recall, I was in the process of answering some of the points that had been raised during the opening statements. In deference to my friend from Ottawa, and so we can get on with matters, I will reserve my answers to the various points until we get to the places where they come up during our discussion of the individual estimates.

Mr. Chairman: If there is agreement, we will ask whether there are any opening questions on vote 601.

Mr. Roy: Mr. Chairman, I appreciate the opportunity of making a few comments on these estimates. I feel privileged to follow in the footsteps of the great Canadian who made his opening remarks on these estimates, the member for Brant-Oxford-Norfolk (Mr. Nixon). This is an opportunity for me and my colleagues to have a certain amount of discussion on some of the very important events that have taken place over the last few days or last few weeks in the federal House and basically across the country.

I want to say that my own view, and the minister may agree personally with me on this, is that it was unfortunate in some ways that we did not have a full-scale debate in this assembly dealing with major amendments to the constitution. I consider the final package that was put forward on November 18, 1981, in the federal Parliament a very important event indeed. After some 114 years, I think it is significant that there is a consensus. I intend to comment on the fact that Quebec is unfortunately not part of that consensus, but nevertheless there is a consensus and movement, with substantial agreement to

proceed with the patriation of the constitution, with an amending formula and, of course, with the charter.

It should be underlined, certainly for those of us who have participated in our own select committee on constitutional reform or who followed the developments at the federal-provincial conferences that have taken place over these many years, that this is a significant and important event in the history of this country.

I will talk later about the fact that Quebec is not supporting this package, but in fairness I should underline the role played by our provincial representative in the agreement of this package. I extend to the Minister of Intergovernmental Affairs my wholehearted support for the role played by Ontario, especially in this last conference, which resulted in the resolution that has been presented to the federal House in the last few weeks.

I have always had some reservations about the role played by the Premier (Mr. Davis) and the role played by Ontario generally in these federal-provincial conferences. For instance, a year ago last September, I had serious reservations. I thought the Premier's role at that time was not significant and, in fact, the press at that time showed some displeasure. They thought the contribution of the Premier from such an important province was somewhat superficial.

I said that publicly at that time; so I have no hesitation in saying now that I think there can be very little doubt that the Premier of this province, and I am not one to throw flowers in his direction on a regular basis, did play a significant role in this conference, which resulted in the present resolution.

The contributions of the Minister of Intergovernmental Affairs and of the Attorney General (Mr. McMurtry) to the accord should also be underlined. We in this House, and I as the critic, underline the role played by all those representing Ontario, from the Premier to the ministers I have mentioned, to the deputy minister who is seated at the table and, although I do not want to get too involved, even by people—acolytes, we might call them—like Hugh Segal and others.

I think there can be no doubt that Ontario's contribution to the final package was significant—I think that should be underlined—and that these people should have the gratitude of all members of the House and of the public.

11:40 a.m.

I am extremely pleased with some aspects of the resolution. For instance, the charter is something that I think will do us proud over the years. More cynical people—and I do not want to point a finger in any direction—might say that this is going to be a make-work project for lawyers.

Mr. Nixon: Who would say that?

Mr. Roy: As my friend the member for Brant-Oxford-Norfolk says, "Who would say that?" Who would have the absolute gall to say something like that?

I must say in all candour that the charter, and certainly the amending formula, will not hurt the legal profession. Let us just say that the poor, maligned legal profession is suffering, especially in Ontario, as members know. The members of the Law Society of Upper Canada are saying that their numbers are too large in view of the economic slowdown.

My God! We heard just last week that in one of our great cities, Windsor, something like a dozen lawyers were either on unemployment insurance or on welfare. Some of my friends here do not believe it. I have difficulty believing it myself, but I can understand that in some areas of the province the economic slowdown is such that the legal profession is facing very difficult times. Such legislation as this package will in some measure certainly create cases or cause cases to come forward, and it will not hurt the profession.

But, apart from these mundane conclusions that one can make on the charter, I think it is important to note that it is a significant step. In spite of the fact that there are opting-out provisions in the charter, I am extremely pleased to see this country have a charter.

I was pleased to see that finally the other provinces showed some willingness to make concessions and that finally the women of this country and the native peoples are also protected in this charter. I think it would have been despicable if the charter had gone forward in its original form as a result of the agreement back in early November. I think we would have been ashamed in this great country, which has a tradition of protecting civil rights and human freedoms, if we had had a charter that not only did not protect women in this country but also did not give substantial protection to our native peoples or, as I am going to say later on, to the minorities in this country.

I am pleased that a concession was made. As the Prime Minister said yesterday, obviously we would have preferred to have had something

more substantial and to have had a tighter package. But the fact is that concessions have to be made, unfortunately, and I suppose we should be pleased with what we have.

Where I must say I am very disappointed is in the area of protection for the French-speaking minority in this province. I appreciate the fact that we did get some protection in the field of education; we are pleased about that. But I am very critical of the Premier on that basis; and I have no reservation about seriously condemning the government, and especially the Premier. This goes back to September or October of 1980 at that conference.

Members will recall that in May 1980 there was a discussion in this Legislature about Ontario taking a significant role in the constitutional amendment. I think it was in September 1980 that a conference was held. It was at that federal-provincial conference in Ottawa that the Premier, in my opinion, distorted the meaning and the legal implications of section 133 of the British North America Act.

As a result, in the by-election in Carleton and the subsequent election, there was a real backing off in the sense that the population of Ontario, in my opinion, was inflamed against making any concessions pertaining to section 133. It became known as a *bête noir* in the sense that we did not talk about section 133. The party leaders stayed away from it and did a disservice to the French-speaking minority of Ontario and to the country.

The Canadian Charter of Rights and Freedoms is moving forward with provisions that give protection to official languages at the federal level. Unfortunately, that protection is not there for Ontario. I want to spend a few minutes to clear the record, if nothing else, on that issue.

We keep hearing that if we get involved in section 133, we will be involved in official bilingualism in Ontario. Let us see where we could have moved forward without chaos and without causing any panic or disruption in this province.

Let us look at the language provisions of the charter. First, we have section 16, which deals with the official languages. Section 16(1) of the charter talks about both official languages at the federal level and in federal institutions. Since New Brunswick accepts that same principle in section 16(2), the question is, could Ontario have accepted it? In my opinion, it certainly could.

But let us say that I am trying to be as

open-minded and flexible as possible this morning, and I say: "Okay. Maybe you have some hangups about the question of official languages in Ontario." Let us say for the sake of argument, "In Ontario it would be impractical and unacceptable to accept section 16(2) making French one of the official languages in Ontario."

Accepting that proposition, we say, "Given the disparity in numbers, and given that you want to emphasize services rather than official bilingualism, perhaps Ontario could have made a case on that particular point."

Section 17 deals with the use of languages in debates in the proceedings of the legislatures or the Parliament of Canada. Could Ontario not have accepted with no disruptions whatsoever the provisions of section 17(2) of the charter which states simply that everyone has the right to use English or French in any debates or proceedings of the Legislature of New Brunswick. It is only for New Brunswick. Could that not have said "New Brunswick and Ontario"?

We have it now. Our standing orders permit that to take place. Perhaps we should read our standing order into the record. It states, "Every member desiring to speak must rise in his place and address himself to the Speaker, in either English or French." How is that different from section 17(2) of the charter which refers to the use of French and English?

I think all members could agree that if we have it in our standing orders now, what difference would it have made to put it in the charter? It would have been simple and an important step forward.

11:50 a.m.

Moving on, section 18(2) says, "The statutes, records and journals of the Legislature of New Brunswick shall be printed and published in English and French." Maybe the government of Ontario has a hangup about publishing things in both English and French. Some people would argue that it is a waste of time and money. I do not agree with that, but I will concede that point. Maybe they have a hangup about this because it would have made things officially bilingual; they would have had to print all bills in both languages, and it just would not have been practical to do so.

I am saying to the government that for all the disruption it would have caused, the symbolism of having accepted this section would have been important. But I will concede to the government that they have a hangup about that; so forget it. The government could have stayed away from section 18.

Section 19(2) then talks about the use of French and English in the courts. It says, "Either English or French may be used by any person in, or in any pleading in or process issuing from, any court of New Brunswick." Again, we have it in Ontario. We have the use of French and English at all levels in the criminal courts. Why could we not have put that in the charter?

For instance, the Attorney General (Mr. McMurtry) announced just a couple of weeks ago that in civil cases in certain areas of the province you can use both languages. What would the difficulty have been? We could have refined section 19(2) to conform to section 130 of the Judicature Act with no problem.

What I am trying to say is that it appears to me that Ontario made no effort to be conciliatory on this particular section. It would have been so easy, it would have rendered justice to the minority in Ontario and it would have been an important element in the propaganda war that is still going on in Quebec.

Section 20(2) of the charter talks about services: "Any member of the public in New Brunswick has the right to communicate with, and to receive available services from, any office of an institution of the Legislature or government of New Brunswick in English or French." That resembles Bill 68 or Bill 69 a little bit, which I put forward in 1978. It is not quite the same because, again, the bill was refined in a sense to give services where the services were necessary.

Mr. Boudria: Bill 89.

Mr. Roy: Yes. Bill 89.

Again, I find it unfortunate that Ontario did not move forward on that particular aspect; it would have been important in the process. Unfortunately, we are left in a situation now where we do not have it. It is an opportunity that has been missed. It is not every day that we amend the constitution, Mr. Chairman, as you know. You know the difficulties we have had in reaching this point in time.

But it is unlikely that the proper amendments will be made, and we are left with the result that a significant minority will not get full justice under this charter. This situation makes the case for them that they have not received justice, and it makes the case very strongly in Quebec that the federal government was prepared to enforce in Quebec certain provisions with regard to education that the Parti Québécois find offensive in relation to their Bill 101.

The argument in Quebec is simply this: How can the federal government enforce those

provisions in Quebec when it is not prepared to enforce certain other provisions in Ontario? I think it makes the federal case very difficult. I find it sad that we are left with this result. I think this was an opportunity that should not have been missed. As pleased as I am with the charter, I am seriously disappointed in the fact that these omissions were made.

I want to say one further thing. We have a selling job to do for this charter in Quebec. I have been looking again at the events in that province, and I think there can be no doubt that the present government, whose option is always the independence of Quebec, is doing a terrific propaganda job in convincing the people of Quebec that they were right in refusing to be part of this package, to the point where René Lévesque claims that 80 per cent of the people of Quebec are supportive of his position.

Members have seen the recent polls that indicate some 53 per cent of the people apparently would be prepared now to vote for souveraineté-association and close to some 60 per cent of the people in Quebec apparently believe that his option is more reasonable than the option proposed by Prime Minister Trudeau and the federal government.

With the propaganda war going on in Quebec, I think there is a role to be played by Ontario. We have a selling job to do in that province, and I think we must not just sit back on our laurels and say, "Yes, we have a package." Somehow the federal government, the federal MPs, other provinces and people who can communicate with the people in Quebec are not doing a job in selling this package, because Premier Lévesque is getting away with saying that this package will take powers away from Quebec and will not compensate it sufficiently.

As we know, his opposition is basically that he has lost his veto now. There is the argument that he had lost it anyway in making an agreement with the other seven provinces last year. He claims he cannot now opt out because he will not get financial compensation. I think there has to be a refinement on that aspect of the charter. Finally, he is very opposed to the guarantees for the anglophones in his province, which he says run contrary to some of the provisions of Bill 101.

I am saying I think there is room for some compromise. I am not naïve enough to think that any compromise is going to be acceptable to Lévesque. With the final option he is looking at, it is impossible that he is going to accept any

package, but somehow the message is not to the government of Quebec but to the people of Quebec.

I have said hundreds of times in this Legislature that we have to keep in mind and keep differentiating between the option of the government and what the majority of the people in Quebec believe. We have a selling job to do and when the distortion has taken place as regards what the charter stands for or what compromise Ontario or the other provinces are prepared to make, I think we have ourselves a job.

I would like to speak on a number of other matters, but I realize there are time constraints and a number of my colleagues want to participate in this debate. I just want to say a couple of things to the minister. One has to do with a recent appointment. I appreciate the minister is in charge of French-language services in Ontario, and I do not want to spend too much time talking about my good friend Omer Déslauriers, the Conservative candidate in the last election. He has gone on to greater and better things, Mr. Chairman, and you should wish for a job like that; for having suffered abuse for some 40 days, you end up with a plush job in Brussels, expense accounts and everything else. I will not spend much time on that, because I have a question on the Order Paper.

Hon. Mr. Wells: It has already been answered.

Mr. Roy: The minister says it has already been answered, and I look forward to that.

As you know, Mr. Chairman, you just do not go to Brussels at a straight salary. There are other perks involved with this job. Opening up a new office, you become part of the international community; so all the perks flow with that. Those who felt sorry for Omer during the 1981 campaign should shed no tears, because he was in a "Heads I win, tails I don't lose" position. He did okay. He has gone on to greater and better things, and I will not spend any more time on that.

Interjection.

Mr. Roy: His reward was not based on his performance during the campaign. I suppose his reward was based on the ultimate sacrifice of having decided to come into Ottawa East in the first place.

12 noon

I want to ask the minister a couple of questions that are of concern to me. I noticed that Omer, who is the president of the Council for Franco-Ontarian Affairs, le Conseil des affaires franco-ontariennes, has been replaced by M. Roger Régimbal, whom I do not know.

This minister has some sympathy for the Franco-Ontarian community and has some knowledge of it. Over the years, as Minister of Education, he has acquired a well-deserved reputation as being somewhat sensitive to the needs of that community.

I do not know M. Régimbal. I hope that I am proven wrong and that he turns out to be a tremendous success as president of the Franco-Ontarian council. But as I look at M. Régimbal's background, I have some difficulty understanding why we could not get a Franco-Ontarian who has been involved over the years in the process here and who understands the workings and needs of that community.

M. Régimbal's whole background is from the province of Quebec. He was born in Sudbury and went to school in North Bay, but he graduated from the University of Montreal around 1946 and spent most of his professional life in Quebec. As well, he was elected as a Conservative member for the federal Parliament for the riding of Argenteuil-Two Mountains from 1965 to 1968.

M. Régimbal was in one national leadership convention—I do not recall which one it was, the Stanfield one or the one involving Joe Clark; I suspect it goes back to Stanfield—where he was co-chairman of that convention. I remember him from the television coverage. Then M. Régimbal went on from there to the Workmen's Compensation Board. Now he is chairman of the Council for Franco-Ontarian Affairs.

His background does not lend itself to one who fully understands the needs of Franco-Ontarians. I am disappointed. I would have thought there would have been a number of excellent candidates in Ontario who would have fulfilled that task admirably.

I know it is not easy to ask people to move to Toronto, knowing the difficulties and the financial constraints involved with that. But, considering the importance of that job, we could have done better. The minister could have had someone who had some association or some active involvement with or some profile in the Franco-Ontarian community. I do not think M. Régimbal fills that role. Maybe I am unfairly maligning this individual. That may be, and I apologize if I am; but I have to say things I have certain reservations about.

If the financial constraints were such that people were refusing the job, the minister could have made some amendments. After all, the government is paying people all sorts of good money to be serving in a variety of roles in

Ontario. The head of the Franco-Ontarian council should be considered one of the more important functions in Ontario, and the financial remuneration should be such that we can get the best people possible to fill that role. I do not think the minister has done so in this latest appointment.

I want to say to the minister and the deputy minister, that is what makes the community somewhat cynical about this government at times, when you appear to be so insensitive and at times even cynical when it comes to such appointments. For instance, that a person like Déslauriers would move from president to running against one of the elected candidates and then get this good job in Brussels, to be replaced by another individual who apparently has not had much association with the Franco-Ontarian community, but seems to have some serious involvement with the Conservative Party.

The government may say I am too political, too cynical. I may be, but a lot of people feel the same way I do. I appreciate that the government rewards people with different jobs and that the federal Liberals do the same thing. I do not deny that. But there are some positions that should be above such political considerations, and I am saying that president of the Franco-Ontarian council is one of them.

Having made these very few brief comments, I will take my seat and hope to have a further opportunity to discuss the ongoing constitutional, interprovincial and intergovernmental estimates.

Mr. Renwick: Mr. Chairman, you may recall on November 23, over two and a half weeks ago, on a Monday afternoon, I rose on a matter of privilege to make a statement with respect to the constitutional accord, and the Leader of the Opposition (Mr. Smith), for reasons best known only to him, interrupted me and I was not able to complete my statement.

On that occasion, I had intended to say, and I now say, that I rise on a matter of privilege, as a member of this assembly, to dissociate myself from the accord reached by the first ministers at the constitutional conference that concluded on November 5 last. I may say that dissociation continues to this day, regardless of the changes that have been made as a result of the debate in the House of Commons and the resolution that in these very latter days is now before the Senate of Canada. I do so with regret but for a number of reasons.

First, whatever the federal nature of Canada

may be, historically, constitutionally and politically it does not permit the isolation of the government and National Assembly of Quebec.

Second, it is unacceptable to me that the first ministers unanimously agreed to delete from the charter the rights of the aboriginal peoples of Canada.

Third, it is unacceptable to me to permit the federal Parliament, or any provincial parliament, to withdraw from persons living within Canada any of the fundamental freedoms, legal rights, or equality rights set out in the charter.

Fourth, it is unacceptable to me that the government of Ontario would not accept graciously, for Canadian citizens in Ontario who are French-speaking, the provisions of section 133 of the British North America Act.

Fifth, it is unacceptable to me, constitutionally, for this accord to have been agreed to by the first minister of this province without any consultation, reference or other involvement of this assembly.

For all and each of the foregoing reasons, I dissociate myself from the accord. I do want to take the opportunity to comment briefly on each of those reasons for my dissociation, not in a sense of debate but in a sense of wishing to make my own personal position on the questions abundantly clear before the constitution is amended.

I recognize that at this point debate is of almost no use. No change is going to take place and, therefore, it is not in any argumentative sense that I comment further on these matters. Before I do comment, I want to say to the minister and to his colleague the Attorney General (Mr. McMurtry), and to the Premier (Mr. Davis) of the province, how much I appreciate the immense effort of time, ability and attention they and their advisers in the public service of Ontario, and indeed, advisers outside the public service of Ontario gave over a long and difficult period of time to these very serious and very important questions.

My dissociation does not in any way reflect upon the appreciation which I extend to them for the efforts which they made during the arduous process of constitutional amendment.

12:10 p.m.

For reasons which I do not understand, the apologia which is now given for the constitutional accord does not seem to reflect anything that I have ever perceived about Canada as I understand it. I am, in a sense, a part of all that I have met, and many of the things that I say today are not either original to me or products

of my own thought, but of the contributions that many other people have made to the way in which I view this country.

Let me just say specifically, to illustrate what I mean, that the kind of statement that appeared in an editorial in the Winnipeg Free Press the day after the accord was signed is entirely contrary to the kind of version of Canada that I believe in.

That editorial said: "In all, the agreement signed yesterday is a typically Canadian document; complicated, untidy and not terribly inspiring. It is the kind of compromise which has permitted the Canadian federation to muddle along for the past 114 years." I cannot conceive of such an attitude towards this country. I have a much more positive sense of the creative capacity of the country than to indicate that is the result of all of the work and effort that was put into the accord which is now before us.

Perhaps that attitude reflects why I believe that in these significant areas the constitutional board has failed in the sense as I understand it. I speak really for myself. There is nothing which I have to say which is in any way contrary to the policies adopted by my party in convention, so in that sense I am not in any way dissociating myself from the goals and objectives and inspirations that lie behind the New Democratic Party.

I may also say I am not in any sense speaking as a lawyer, nor am I speaking as one who has had a long interest in constitutional matters, both legal and historical. Neither am I speaking about the continuing interest I have had in the evolution of the jurisprudential content of the phrase "aboriginal rights." I speak solely on this occasion as a member of this assembly elected from the riding of Riverdale, and I stand in this place today in that capacity and in no other capacity.

My first dissociation was with respect to the isolation of the government in the National Assembly of Quebec. I do not accept the philosophy or the ideology of the Parti Québécois which forms the majority government in Quebec. It is the majority party, and therefore the government of the province.

I find it impossible to accept the specious argument which is now being made, that the people of Quebec who elected that government, because they also elected 74 members to the House of Commons from another party, are in some way being represented solely by those who sit in the federal Parliament in respect of their true beliefs in the country. I find that argument and that discussion quite specious.

I want simply to adopt, for my own language, words of another when I say that when we look to our own past we can see that the working out of relations between English-speaking and French-speaking Canadians is the central issue of our country's history. No discussion of our institutions can proceed except as the history of the evolution of the relations between the French and the English on this continent.

The dominant theme of constitution-making in Canada in 1867 was the accommodation of the two great linguistic communities in Canada, the English and the French. That is the paramount theme of constitutional discussion then and now, and it will continue to be the paramount theme. I need say nothing further about the first ground for my dissociation from the constitutional accord.

My second concern about the constitutional accord related to the unanimous agreement of the first ministers to delete from the charter the rights of the aboriginal peoples of Canada. I am aware, of course, that since that time the statement about aboriginal rights was reinstated in the constitutional resolution. But it was reinstated with the addition of the word "existing." As I understand it, that clause now reads, "The existing aboriginal and treaty rights of the aboriginal peoples of Canada are hereby recognized and affirmed."

I have listened to the reasons that have been given for the acceptance of the word "existing" as a qualifying adjective to the aboriginal rights that we are trying to protect. Anyone who has studied the evolution of the concept of the aboriginal rights in the courts of this country, without going into it in any great detail, understands it is an evolving concept.

The argument is made that the addition of the word "existing" did not alter that clause in any way. It is my opinion and belief that the addition of that word, instead of explaining and being of no consequence, will turn out to be a limitation on aboriginal rights as they will evolve from this time forward.

I believe it would have been better for the aboriginal peoples not to have had that clause in the constitution of the country at all rather than to have accepted the inclusion of that clause with the word "existing." Time alone will tell whether or not this is of any consequence, but that is my view, and I believe it is supported by the evolutionary nature of the jurisprudential content of the term "aboriginal rights."

My third fundamental dissociation is because of the clause that has been known as the

override, the clause that puts at the mercy of the Parliament of Canada or of any other assembly in Canada the clauses of the constitution dealing with fundamental freedoms, legal rights and equality rights.

Again, I recognize that in another part of the constitutional package, in another part of the so-called charter of rights, there was an effort to recognize, under immense pressure, the equality of men and women in this country. That does not, however, speak to the question of the override that exists with respect to the equality rights as they are stated in an earlier part of the charter.

Let me just make this brief comment: I accept the qualification of those rights which appears in the early part of the charter, which states that the rights and guarantees in this charter are "subject only to such reasonable limits prescribed by law as can be demonstrably justified in a free and democratic society."

12:20 p.m.

I accept the qualification of those rights and I had no difficulty in accepting that. Here again, I speak of myself as a representative in a parliamentary representative democracy which is one of the foundations of the belief I have in the nature of this country and a tradition to which I give my total and unreserved allegiance.

For whatever other reasons, I can say quite clearly there is no constituent of mine in the riding of Riverdale, whether he exercised his franchise or not or whether in the future he exercises his franchise to elect a member to this assembly, be he a representative of this party or of any other party, who believes that the representatives of this assembly could have the right to override, in any way, freedom of conscience and religion, freedom of thought, belief, opinion and expression, including freedom of the press and other media of communication, freedom of peaceful assembly and freedom of association.

I cannot conceive that if I were to go through my riding and ask each and every citizen whether he believed that I or the Parliament of Canada and the person representing that riding in the Parliament of Canada should have any such right to override those fundamental freedoms, anyone would say he believed that.

I may say that when one comes to the next grouping of rights which can be overridden by the Parliament of Canada or by this assembly, which are entitled legal rights, I cannot believe that anyone in my riding elected me as his representative to, in any way at any time, breach

the following right, "Everyone has the right to life, liberty and security of the person and the right not to be deprived thereof except in accordance with the principles of fundamental justice."

I cannot believe that anybody in my riding elected me to override this right, "Everyone has the right to be secure against unreasonable search or seizure."

I am not going to preface the remark in each of the following items but I am going to read them into the record, because I was not elected to breach or to ever vote in favour of breaking these rights: "Everyone has the right not to be arbitrarily detained or imprisoned."

"Everyone has the right on arrest or detention: to be informed promptly of the reasons therefore; to retain and instruct counsel without delay and to be informed of that right; and to have the validity of the detention determined by way of habeas corpus and to be released if the detention is not lawful."

"Any person charged with an offence has the right: to be informed without unreasonable delay of the specific offence; to be tried within a reasonable time; not to be compelled to be a witness in proceedings against that person in respect of the offence; to be presumed innocent until proven guilty according to law in a fair and public hearing by an independent and impartial tribunal; not to be denied reasonable bail without just cause; except in the case of an offence under military law tried before a military tribunal, to the benefit of trial by jury where the maximum punishment for the offence is imprisonment for five years or a more severe punishment; not to be found guilty on account of any act or omission unless, at the time of the act or omission, it constituted an offence under Canadian or international law or was criminal according to the general principles of law recognized by the community of nations; if finally acquitted of the offence, not to be tried for it again and, if finally found guilty and punished for the offence, not to be tried or punished for it again; and if found guilty of the offence and if the punishment for the offence has been varied between the time of commission and the time of sentencing, to the benefit of the lesser punishment."

"Everyone has the right not to be subjected to any cruel and unusual treatment or punishment."

"A witness who testifies in any proceedings has the right not to have any incriminating evidence so given used to incriminate that

witness in any other proceedings, except in a prosecution for perjury or for the giving of contradictory evidence."

"A party or witness in any proceedings who does not understand or speak the language in which the proceedings are conducted or who is deaf has the right to the assistance of an interpreter."

I should say that I was not elected to accept at any time a breach of any of those rights.

With respect to equality rights, the charter provides that, "Every individual is equal before and under the law and has the right to the equal protection and equal benefit of the law without discrimination and, in particular, without discrimination based on race, national or ethnic origin, colour, religion, sex, age or mental or physical disability."

That provision is subject to the protective provision permitting what has become known concisely as affirmative action programs.

I reiterate on that aspect of my dissociation from the constitutional accord that no one in my riding elected me ever to breach those rights under any circumstances. The argument that is put that those rights will be breached only if it is absolutely essential is a specious argument. The argument that one must be vigilant if that overriding right is ever used to abridge any of those fundamental freedoms is a specious argument. I need only refer to 1970 to indicate the kind of concern I have about the ultimate compromise of this constitutional package that would ever permit the override of those matters.

There are those who say to me, "You are handing it all to the judges," as if the judges somehow were nonelected persons who have an arbitrary right to distinguish what they will do. Judges have no such arbitrary right. They must exercise their judgement as judges in accordance with a long and historic tradition of protection of those various rights under our system of government.

I believe no assembly can be ultimately trusted in times of passion and strong feeling to protect the fundamental rights of people. Parliamentary tradition is not such that it does not need the corrective protection of the courts in relation to those fundamental rights.

My last concern is with respect to the inability of this province to accept graciously the provisions of section 133 of the British North America Act for Canadian citizens in Ontario who are French speaking. I think it is appropriate to quote the short section that has been the matter

of so much comment and debate in this assembly. Section 133 of the British North America Act states:

"Either the English or the French language may be used by any person in the debates of the Houses of the Parliament of Canada and of the Houses of the Legislature of Quebec and both those languages shall be used in the respective records and journals of those Houses, and either of those languages may be used by any person or in any pleading or process in or issuing from any court in Canada established under this act and in or from all or any of the courts of Quebec. The acts of the Parliament of Canada and of the Legislature of Quebec shall be printed and published in both these languages."

That is applicable, under the constitution as it at present stands, to Manitoba and the constitutional accord provides that those provisions will be applicable in New Brunswick.

I cannot conceive any basis on which the province with the largest French-speaking minority outside Quebec does not have the courtesy, the capacity and the generosity of spirit to accept those provisions on behalf of the people of Ontario.

12:30 p.m.

My last dissociation was with respect to the failure to consult with, refer to and have this assembly involved in these matters. Very briefly, I may say the only debate that took place in this assembly was the debate with respect to the constitution immediately prior to the vote on the referendum in Quebec.

It had been delayed until that late date because of a real concern that an amendment I had the honour to give notice of, proposing there be a constitutional select committee of this assembly to deal with these matters, was reluctantly agreed to by the government. The committee met and made its report, which was totally ignored. Not one single minister of the crown saw fit to participate in any debate with respect to that report when it was presented to the assembly.

Now at this late date, I will never understand the lethargy of an assembly that was not able to gather up enough enthusiasm, interest or demand for constitutional debate in the assembly. We are reduced in these latter days to a sham debate under the estimates of the Minister of Intergovernmental Affairs, so we can, for those who choose, in a most innocuous manner, talk about what to me speaks fundamentally to the nature of the country.

I do not for one moment deprecate the

solution of one problem, that is, the problem with respect to the constitutional guarantees, even in the language in which it is couched, for people of French-speaking origin to be educated in Quebec in French. I commend the words of Sir Wilfrid Laurier—I am not going to quote them today—in the debate that took place in the Parliament of Canada in 1916 on the motion of the late Honourable Ernest Lapointe, when he pleaded with the people of Ontario to recognize the right of the French-speaking people to be educated in the French language as a matter of tolerance in a society that he believed could only survive in a regime of tolerance. I am pleased that 65 years later Sir Wilfrid Laurier, who was defeated on that issue, has now finally been recognized in the plea he made.

Mr. Chairman, I have gone on somewhat longer than I wanted. As you can see, I have not spent a great deal of time either in argument or in dissertation of other people's views on these matters. I just wanted to have this opportunity of expressing clearly to this assembly the depth of feeling I bring when I raise this question of my personal dissociation in my representative capacity in this assembly as the member for Riverdale to the constitutional accord, which is now long past any influence I may have, or this assembly may have, on its outcome.

Mr. T. P. Reid: Mr. Chairman, as so often happens when one follows the member for Riverdale, one finds one's thunder or comments have been stolen—not stolen, but already used. I simply want to talk about the whole process that concerns me greatly. Others have spoken about the accord and what is in it. My main concern is the process that led us to the point where we are today. I can start by taking up where the member for Riverdale left off and looking at the number of people in the House this morning who obviously are voting with their feet, as they used to say, and displaying their great interest in this debate. I think it is shocking that the Ontario Legislature, one of the original foundations of Confederation, should be showing its interest in repatriating the constitution and in the new Confederation in such a manner.

I agree with my friend from Riverdale and the member for Brant-Oxford-Norfolk (Mr. Nixon) who spoke last week that the way this has been conducted is probably a very poor reflection on the members of this House. We are debating the most important matter, one that will most affect Ontario and our country, in the 15 years I have

been in this House, under the estimates of this minister and perhaps the Premier's and perhaps somebody else's.

It has been pointed out that the only attempt we have had to speak on these issues was the debate on the constitution, in which we had hoped perhaps our small voice in Ontario might affect the outcome of the referendum in Quebec a couple of years ago.

Mr. Nixon: But we did it.

Mr. T. P. Reid: We did it, but I do not know how much credit we can take. Unfortunately, I suppose the very fact we are conducting ourselves in this matter really underlines how irrelevant this Legislature has become. It is passing strange, as my friend from Sarnia used to say, that in these matters of moment in reconstituting our country, that night after night on the evening television news we are presented with a picture of 11 people sitting down around a table or behind closed doors to decide what the future of the country is going to be. And they are doing this without much reference to what the people of the provinces really want or about their concerns, particularly as voiced in the provincial capitals.

You will recall, Mr. Chairman, in the good old days, in the first Confederation conference, when that group of the original Fathers of Confederation—even fewer in number than today—steamed their way to Charlottetown, no doubt enveloped in fumes of one kind or another to speed them on their way and to oil the perhaps turbulent waters they might encounter. That was 1867, or thereabouts.

In 1981 we are presented with a spectacle of 11 people who obviously were all embarked on both an ego trip and a power trip, without any reference to what their constituents really wanted. Frankly, I do not know why I should be taking my time to even discuss it here, because the process in this House has gone by the board and nobody seems to be concerned. When the government can go out and buy Suncor without any reference to the Legislature, in fact without any reference to the cabinet, one wonders where the accountability and responsibility of a democratic parliament comes in.

As far as the constitution goes we have a Premier, who has not been viewed generally as being the national statesman that John Robarts was, and he goes to Ottawa while we as members, and members of the public, pick up the *Globe and Mail* in the morning and find the Premier is prepared to give up Ontario's veto. The Premier's ploy, if that is what it was, or

machinations behind the scene, obviously worked and he has been applauded on all sides for the great work he did. Perhaps it was because of the Premier's movement the accord came about as it did.

One can only wonder what relevance we have in here when the Premier of the province can go to Ottawa or anywhere else and put the chips of Ontario on the line and make deals. He does not even have a regular debate beforehand to say this is our bargaining position, this is what we might be prepared to do; he does not even have a debate after it to at least ratify in some respectable way what has gone on.

12:40 p.m.

I do not minimize, either, the difficulty in these kinds of negotiations, and I realize that each and every item cannot be discussed in the Legislature beforehand. Surely some kind of constitutional resolution could have been brought in by the government, at least for the sake of form, so that we could have debated it in a formal way and the views of all of us could have been on the record as supporting or, in some cases, not supporting what will be the new constitution. I find it shocking, quite frankly. I find the role of this place seriously diminished by it.

Some of us have already spoken about section 133. I have done some research on it. We have heard from the member for Ottawa East (Mr. Roy), the member for Brant-Oxford-Norfolk (Mr. Nixon) and the member for Riverdale (Mr. Renwick). Everybody has agreed, and most constitutional authorities are agreed, that accepting section 133 would not require bilingualism on every corner, although this is the impression the government has tried to give the people of Ontario.

These matters have been debated in this chamber, but given the fact we have embarked on the drafting of a new constitution they should have been formally debated and a resolution passed in this assembly. I know the Minister of Intergovernmental Affairs (Mr. Wells) no doubt will have 10 good excuses why it was not; possibly there are some shortcomings on this side as well. But the members opposite direct the government and have a responsibility to do these things.

Unfortunately, this process reached the point—not only in this chamber, in which very little happened—where the people of Canada were so fed up that they were willing to accept almost anything as long as there was some resolution of the debate. They were concerned

because this was not—and I speak for my constituents and others—their highest priority; they were sick and tired of the constitutional wrangling of these 11 people. They were on an ego and power trip, popping up on television every night and acting in such a way as to diminish the respectability of the political leaders of this country.

I could not help but watch how—and I am sure some of my colleagues saw it—after the accord had been signed, René Lévesque stomped off with his cigarette ashes dropping on his suit. What a classic. It was almost like Laurel and Hardy, or actually maybe the—

Hon. Mr. Wells: May I ask a question? Something just came to my mind when the member was talking about section 133. I do not have the time to refresh my mind now, but it is my recollection, and the member can correct me if I am wrong, that the leader of his party said in February he had phoned the Prime Minister of Canada and asked him not to put section 133 in the original constitutional package. Does the member recall that statement?

Mr. T. P. Reid: No, I am sorry. I do not recall it.

Hon. Mr. Wells: Maybe we can check and find out.

Mr. T. P. Reid: On the other hand, he may well have done so; that is not the point. With respect, that to me is just as odious as the rest of the process in this place. I do not think calls from a Premier or calls from a Leader of the Opposition are the way to go about renewing Confederation. I just find that or any similar situation completely unacceptable.

We are here as a democratically elected chamber to represent the views of the people who put us here, and on those views we stand or fall. If we are not even going to have an opportunity then we all might as well say, "Fine, Mr. Premier, you run the province as you like, and in four years we will have another election. If they do not like you they will choose either the Premier or Mr. X." That is what it is getting down to.

I started to say, before I was interrupted by the minister, that it will be a classic—like Laurel and Hardy or the Three Stooges, I am not sure which. I can just see it, as plain as the night I saw it when Mr. Romanow, Mr. Chrétien, and our own Attorney General (Mr. McMurtry) were in the very kitchen where they came to that agreement and found the wording that would break the deadlock. They were all there. They

looked even more self-satisfied and smug than the Premier and cabinet did on the night of March 19. It was an incredible display. They were all there, as politicians are, all well-buttoned up, and Roy Romanow was saying, "We did great work." Jean Chrétien said, "Yes, by God, we did good work." And our Attorney General was standing there with a big smile on his face, and he did not get a word in.

The interview went on, and it really was incredible. The former fullback, the former heavy, old elbows himself, just sat there with this silly smirk on his face. He was outmanoeuvred and outgunned by Saskatchewan and the federal Minister of Justice. It was a classic. Mr. Chairman, I know you have a great sense of humour. You must have one to be in that party and put up with what it is doing to you. You must sometime see that. It really was a classic. One really wonders about the whole process when that is the way things are done.

Mr. Nixon: They were fighting for all the little notes and things for their files in case they wanted to turn them into tax benefits—taking all the used coffee cups and that sort of thing.

Mr. T. P. Reid: That is right. They want to write their memoirs and turn all those great boxes of correspondence over to the archives and write it off.

It was an incredible proposition. I am concerned about minority rights. I am very concerned about the override situation. If you read the *Toronto Sun*, columnist Douglas Fisher, who is usually fairly accurate, has a column in this morning about the override position. The cursory thing about that is the same as relates to some of the other matters. They are still unclear. If you read his column, and perhaps the minister has, the "notwithstanding" clause can be interpreted, and has been, at least in this instance, by two different people in two different ways.

It makes us wonder what we are doing, as a nation, when this clause had to be put in, because it really defeats the whole purpose of a new constitution and a new Confederation. I find it passing strange, as the comment is, that here we were embarked upon a new nation-building exercise, and yet we had this "notwithstanding" clause. It is going to allow any province, at its whim and will, to override matters that are in the constitution. That is like the Americans, who had a civil war over that very thing. The southern states said, "We have the ability to back out of any agreements or requirements we see fit." More than 100 years

later we have had this battle again, and the provinces, the states, have lost, and I think to the detriment of the people of Canada.

I had some concerns about particular provisions, but I do not want to go into them, because they are now meaningless. I want to impress as much as I can on the Minister of Intergovernmental Affairs there are a few of us in this chamber who are concerned about the process and what goes on here. I realize there are not many any more. Given the way this place has become theatre rather than a debating institution for an exchange of views and ideas, I can understand why that interest has flagged and is now lacking.

12:50 p.m.

If we are going to maintain the essential and bedrock reason for our being here, we must do something about this process. We must do it not just in relation to the constitution which is obviously the most important, but for other matters such as Suncor and so on. If it is the wish of the government to make this place completely irrelevant, to bore people with it and to sleepwalk people to the polls at election time, if that is their purpose and plan, they have been eminently successful. In the long run, it is not doing anything for the democratic process.

Ms. Bryden: Mr. Chairman, the minister has not had an opportunity to reply to all the points raised in my leadoff. He said he would deal with them item by item. I think it is rather unfortunate the government has decided to have the constitutional debate part of the estimates of the Ministry of Intergovernmental Affairs, the Premier's office and the Attorney General's office. This means, in effect, that because most of us want to talk about the constitution, it is making a mockery of the opportunity to examine the estimates of the Ministry of Intergovernmental Affairs.

I spoke on the constitution in my leadoff so I am not going to take more time on it right now but, looking over my comments, I have isolated four questions to which I would like a direct reply from the minister. I will put them all to him and then perhaps he can reply to all four.

The first does relate to the constitution but I think it is an important question. Did the minister follow my suggestion to discuss with the Premier the possibility of further consultation with the other nine signatories to the accord, prior to the final vote on the constitutional resolution last Wednesday, to eliminate the override on section 15 which prohibits

discrimination on the grounds of sex, physical or mental handicap, race, religion, age and ethnic origin, et cetera?

Did the minister also consult with the Premier on having him talk to the other signatories about dropping the override on the fundamental freedoms and legal rights which my colleague the member for Riverdale (Mr. Renwick) has described in considerable detail this morning and which are very fundamental matters?

Did the minister and the Premier make a last-ditch attempt to change the accord in these areas? If he did not, he and the Premier are accessories to the gutting of the charter of rights. He and the Premier have made common cause with those provincial premiers who wanted the right to continue to discriminate and to abridge important freedoms and legal rights, and made this a term of the accord. That is my first question to which I would like a reply from the minister.

Second, what initiatives is the government planning to bring more aid to the Third World? As I mentioned, we are engaged in a north-south dialogue at present. Is the province participating in that dialogue? Will it, for example, consider a matching dollar program with the churches and other nongovernmental agencies for Third World projects of merit? Will it increase programs to bring Ontario expertise to Third World countries? Will it use its good offices with Ottawa to increase the percentage of the gross national product going to foreign aid? That is my second question.

My third question relates to federal-provincial transfers. What plans does the ministry have to make common cause with the other provinces to oppose the \$5.9 billion cut in federal transfer payments over the next five years which has been forecast by the federal Treasurer, Mr. MacEachen?

These cuts will affect the equalization arrangements, the revenue guarantee, and may affect the established program financing arrangements under which health and post-secondary education transfers come. They may also affect funds available for the Canada assistance plan.

The fact that the government did not make a public appearance before the parliamentary task force on federal-provincial relations when it visited Toronto last June indicates to me a sitting-on-our-hands approach to this very important question. All the government did was to have a cozy private session with the task force, attended by four cabinet ministers and 10 civil servants.

I am sure the minister realizes this is not a private negotiating matter. It is a battle to mobilize public opinion against cutbacks in federal transfers. Federal transfers are the means to establish national standards across this country in social fields. In fact these transfers are the sinews of Confederation which bind Canada together.

I will say that Ontario has played an important role in supporting equalization in the past, even though it costs Ontario taxpayers considerable money. But last June the government abdicated that leadership role by not publicly declaring before the parliamentary task force its opposition to cutbacks in transfers. Perhaps the reason was that its hands were not entirely clean in the use made of its share of the transfers in the fields of health and post-secondary education, since it has diverted some of the funds to other fields.

My fourth question relates to the ministry's role as the host for various functions that this government puts on when people visit or we have conventions in town or when there are special occasions observing anniversaries or awards, things of that sort. I do not object to us extending hospitality to these groups as a

recognition of achievement or to welcome visitors. What I do object to is the lack of restraint in the kinds of functions.

I think when we are asking people to cut back in every other field and are really squeezing the people who need social assistance, we should not be going in for Louis XIV sort of events and functions with large dinners, great amounts of wine and very expensive entertaining.

I think the hospitality fund has been getting out of hand. It is time the government started to cut back the nature of the events and make them much more simple affairs. Personally, I think all of these affairs should have cash bars rather than free bars. Those who are not satisfied with tea or coffee or fruit juices, which could be provided, should buy their liquor.

The Acting Chairman (Mr. Robinson): I would draw the honourable member's attention to the clock. Would it be an appropriate time for her to conclude her comments for today?

Ms. Bryden: I think the members may reflect on that rather startling suggestion on the weekend and I will adjourn the debate.

On motion by Hon. Mr. Wells, the committee of supply reported progress.

The House adjourned at 1:01 p.m.

APPENDIX A

ANSWERS TO QUESTIONS ON NOTICE PAPER*

KU KLUX KLAN

239. Mr. Breagh: Will the Solicitor General table the report ordered in May 1981 on the Ku Klux Klan and organized crime? (Tabled November 6, 1981.)

Hon. Mr. McMurtry: It would be inappropriate for me to release any police reports about matters which may currently be under investigation. However, I am able to inform the Legislature that there are only about 30 hard-core members of the Ku Klux Klan in Ontario. The activities of these individuals and other members of white supremacist groups are closely monitored. Should criminal activities be discovered, they will be investigated and prosecuted just as any other criminal conspiracy.

Much has been said and written about the involvement of organized crime in the Ku Klux Klan. These statements have been exaggerated. Although a known Toronto criminal is believed to have participated in a scheme with a group of individuals, some of whom were Klan members, the importance of his involvement was minimal.

RAIL REPORT

247. Mr. Ruston: Would the Minister of Transportation and Communications table the number of reports printed on The Future Role of Rail and the cost of same? Would he also advise of the number of reports given out to this time and the amount received for them, if any? (Tabled November 16, 1981.)

Hon. Mr. Snow: Ten thousand copies of the interim report and 10,000 copies of the final report were printed at a cost of \$113,398.39. To date, approximately 7,000 copies of the interim report and 6,000 copies of the final report have been given out. To date, \$4,099 has been received from sales through the Government of Ontario Bookstore.

DEATH OF JOHN JOSEPH ROYAL

249. Mr. Breagh: Will the Solicitor General table the transcript of the coroner's inquest into the death of John Joseph Royal, 18, of Whitby, who died on September 23, 1981, after falling into a vat of ready-mix joint compound at the Ontario Gypsum Company Limited, Ajax, Ontario? (Tabled November 20, 1981.)

Hon. Mr. McMurtry: Because of the expense involved, the chief coroner's office does not maintain a staff to transcribe every coroner's inquest. Transcripts may be obtained from the court reporter involved on a fee-for-service basis.

A transcript of the coroner's inquest concerning John Joseph Royal may be obtained from

Mrs. Helen Hodgsteen in care of the court house in Whitby.

*Answers that are lengthy or contained tabular material do not appear here. They are available through the Office of the Clerk of the House. Interim answers also are not printed here. The information they contained will be found in the Notice Paper at the end of the question concerned.

APPENDIX B*

ALPHABETICAL LIST OF MEMBERS

(125 members)

First Session of the Thirty-Second Parliament

Lieutenant Governor: Hon. John B. Aird, OC, QC

Speaker: Hon. John M. Turner

Clerk of the House: Roderick Lewis, QC

Andrewes, P. W. (Lincoln PC)

Ashe, Hon. G. L.; Minister of Revenue (Durham West PC)

Baetz, Hon. R. C.; Minister of Culture and Recreation (Ottawa West PC)

Barlow, W. W. (Cambridge PC)

Bennett, Hon. C. F.; Minister of Municipal Affairs and Housing (Ottawa South PC)

Bernier, Hon. L.; Minister of Northern Affairs (Kenora PC)

Birch, Hon. M.; Provincial Secretary for Social Development (Scarborough East PC)

Boudria, D. (Prescott-Russell L)

Bradley, J. J. (St. Catharines L)

Brandt, A. S. (Sarnia PC)

Breaugh, M. J. (Oshawa NDP)

Breithaupt, J. R. (Kitchener L)

Bryden, M. H. (Beaches-Woodbine NDP)

Cassidy, M. (Ottawa Centre NDP)

Charlton, B. A. (Hamilton Mountain NDP)

Conway, S. G. (Renfrew North L)

Cooke, D. S. (Windsor-Riverside NDP)

Copps, S. M. (Hamilton Centre L)

Cousens, D.;

 Deputy Chairman of Committees of the Whole House (York Centre PC)

Cunningham, E. G. (Wentworth North L)

Cureatz, S. L.;

 Deputy Speaker and Chairman of Committees of the Whole House (Durham East PC)

Davis, Hon. W. G.; Premier (Brampton PC)

Dean, G. H. (Wentworth PC)

Di Santo, O. (Downsview NDP)

Drea, Hon. F.; Minister of Community and Social Services (Scarborough Centre PC)

Eakins, J. F. (Victoria-Haliburton L)

Eaton, R. G. (Middlesex PC)

Edighoffer, H. A. (Perth L)

Elgie, Hon. R. G.; Minister of Labour (York East PC)

Elston, M. J. (Huron-Bruce L)

Epp, H. A. (Waterloo North L)

Eves, E. L. (Parry Sound PC)

Fish, S. A. (St. George PC)

Foulds, J. F. (Port Arthur NDP)

Gillies, P. A. (Brantford PC)

Gordon, J. K. (Sudbury PC)

Grande, T. (Oakwood NDP)

Gregory, Hon. M. E. C.; Minister without Portfolio (Mississauga East PC)

Grossman, Hon. L. S.; Minister of Industry and Tourism (St. Andrew-St. Patrick PC)

Haggerty, R. (Erie L)

Harris, M. D. (Nipissing PC)

Havrot, E. M. (Timiskaming PC)

Henderson, Hon. L. C.; Minister of Agriculture and Food (Lambton PC)

Hennessey, M. (Fort William PC)

Hodgson, W. (York North PC)

Johnson, J. M. (Wellington-Dufferin-Peel PC)

Johnston, R. F. (Scarborough West NDP)

Jones, T. (Mississauga North PC)

Kells, M. C. (Humber PC)

Kennedy, R. D. (Mississauga South PC)

Kerr, G. A. (Burlington South PC)

Kerrio, V. G. (Niagara Falls L)

Kolyn, A. (Lakeshore PC)

Lane, J. G. (Algoma-Manitoulin PC)

Laughren, F. (Nickel Belt NDP)

- Leluk, Hon. N. G.;** Minister of Correctional Services (York West PC)
- Lupusella, A. (Dovercourt NDP)
- MacDonald, D. C. (York South NDP)
- Mackenzie, R. W. (Hamilton East NDP)
- MacQuarrie, R. W. (Carleton East PC)
- Mancini, R. (Essex South L)
- Martel, E. W. (Sudbury East NDP)
- McCaffrey, Hon. R. B.;** Minister without Portfolio (Armourdale PC)
- McCague, Hon. G. R.;** Chairman, Management Board of Cabinet (Dufferin-Simcoe PC)
- McClellan, R. A. (Bellwoods NDP)
- McEwen, J. E. (Frontenac-Addington L)
- McGuigan, J. F. (Kent-Elgin L)
- McKessock, R. (Grey L)
- McLean, A. K. (Simcoe East PC)
- McMurtry, Hon. R. R.;** Attorney General and Solicitor General (Eglinton PC)
- McNeil, R. K. (Elgin PC)
- Miller, Hon. F. S.;** Treasurer of Ontario and Minister of Economics (Muskoka PC)
- Miller, G. I. (Haldimand-Norfolk L)
- Mitchell, R. C. (Carleton PC)
- Newman, B. (Windsor-Walkerville L)
- Nixon, R. F. (Brant-Oxford-Norfolk L)
- Norton, Hon. K. C.;** Minister of the Environment (Kingston and the Islands PC)
- O'Neil, H. P. (Quinte L)
- Peterson, D. R. (London Centre L)
- Philip, E. T. (Etobicoke NDP)
- Piché, R. L. (Cochrane North PC)
- Pollock, J. (Hastings-Peterborough PC)
- Pope, Hon. A. W.;** Minister of Natural Resources (Cochrane South PC)
- Ramsay, Hon. R. H.;** Provincial Secretary for Resources Development (Sault Ste. Marie PC)
- Reed, J. A. (Halton-Burlington L)
- Reid, T. P. (Rainy River L-Lab.)
- Renwick, J. A. (Riverdale NDP)
- Riddell, J. K. (Huron-Middlesex L)
- Robinson, A. M. (Scarborough-Ellesmere PC)
- Rotenberg, D. (Wilson Heights PC)
- Roy, A. J. (Ottawa East L)
- Runciman, R. W. (Leeds PC)
- Ruprecht, T. (Parkdale L)
- Ruston, R. F. (Essex North L)
- Samis, G. R. (Cornwall NDP)
- Sargent, E. C. (Grey-Bruce L)
- Scrivener, M. (St. David PC)
- Sheppard, H. N. (Northumberland PC)
- Shymko, Y. R. (High Park-Swansea PC)
- Smith, S. L. (Hamilton West L)
- Snow, Hon. J. W.;** Minister of Transportation and Communications (Oakville PC)
- Spensieri, M. A. (Yorkview L)
- Stephenson, Hon. B. M.;** Minister of Education and Minister of Colleges and Universities (York Mills PC)
- Sterling, Hon. N. W.;** Minister without Portfolio (Carleton-Grenville PC)
- Stevenson, K. R. (Durham-York PC)
- Stokes, J. E. (Lake Nipigon NDP)
- Swart, M. L. (Welland-Thorold NDP)
- Sweeney, J. (Kitchener-Wilmot L)
- Taylor, G. W. (Simcoe Centre PC)
- Taylor, J. A. (Prince Edward-Lennox PC)
- Timbrell, Hon. D. R.;** Minister of Health (Don Mills PC)
- Treleaven, R. L. (Oxford PC)
- Turner, Hon. J. M.;** Speaker (Peterborough PC)
- Van Horne, R. G. (London North L)
- Villeneuve, O. F. (Stormont, Dundas and Glen-garry PC)
- Walker, Hon. G. W.;** Provincial Secretary for Justice and Minister of Consumer and Commercial Relations (London South PC)
- Watson, A. N. (Chatham-Kent PC)
- Welch, Hon. R. S.;** Minister of Energy (Brock PC)
- Wells, Hon. T. L.;** Minister of Intergovernmental Affairs (Scarborough North PC)
- Wildman, B. (Algoma NDP)
- Williams, J. R. (Oriole PC)
- Wiseman, Hon. D. J.;** Minister of Government Services (Lanark PC)
- Worton, H. (Wellington South L)
- Wrye, W. M. (Windsor-Sandwich L)
- Yakabuski, P. J. (Renfrew South PC)

MEMBERS OF THE EXECUTIVE COUNCIL

- Davis, Hon. W. G., Premier and President of the Council
- Welch, Hon. R. S., Minister of Energy and Deputy Premier
- Wells, Hon. T. L., Minister of Intergovernmental Affairs
- Bernier, Hon. L., Minister of Northern Affairs
- Snow, Hon. J. W., Minister of Transportation and Communications
- Birch, Hon. M., Provincial Secretary for Social Development
- Bennett, Hon. C. F., Minister of Housing
- Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics

Timbrell, Hon. D. R., Minister of Health
 Stephenson, Hon. B. M., Minister of Education
 and Minister of Colleges and Universities
 McMurtry, Hon. R. R., Attorney General and
 Solicitor General
 Henderson, Hon. L. C., Minister of Agriculture
 and Food
 Norton, Hon. K. C., Minister of the Environ-
 ment
 Drea, Hon. F., Minister of Community and
 Social Services
 Grossman, Hon. L., Minister of Industry and
 Tourism
 McCague, Hon. G., Chairman of Management
 Board of Cabinet and Chairman of Cabinet
 Baetz, Hon. R. C., Minister of Culture and
 Recreation
 Wiseman, Hon. D. J., Minister of Government
 Services
 Elgie, Hon. R. G., Minister of Labour
 Walker, Hon. G. W., Provincial Secretary for
 Justice and Minister of Consumer and
 Commercial Relations
 Gregory, Hon. M. E. C., Minister without
 Portfolio
 Pope, Hon. A. W., Minister of Natural Re-
 sources
 Leluk, Hon. N. G., Minister of Correctional
 Services
 Ashe, Hon. G. L., Minister of Revenue
 Ramsay, Hon. R. H., Provincial Secretary for
 Resources Development
 McCaffrey, Hon. R. B., Minister without Port-
 folio
 Sterling, Hon. N. W., Minister without Portfolio

PARLIAMENTARY ASSISTANTS

Andrewes, P. W. (Lincoln), assistant to the
 Minister of Energy
 Brandt, A. S. (Sarnia), assistant to the Minister
 of Labour
 Dean, G. H. (Wentworth), assistant to the
 Minister of Education
 Eaton, R. G. (Middlesex), assistant to the Minis-
 ter of Transportation and Communications
 Fish, S. A. (St. George), assistant to the Minister
 of Culture and Recreation
 Gillies, P. A. (Brantford), assistant to the Pro-
 vincial Secretary for Social Development
 Gordon, J. K. (Sudbury), assistant to the Minis-
 ter of Health
 Hennessy, M. (Fort William), assistant to the
 Minister of Northern Affairs

Hodgson, W. (York North), assistant to the
 Minister of Government Services
 Jones, T. (Mississauga North), assistant to the
 Treasurer of Ontario and Minister of
 Economics
 Kennedy, R. D. (Mississauga South), assistant to
 the Minister of Intergovernmental Affairs
 Lane, J. G. (Algoma-Manitoulin), assistant to
 the Minister of Industry and Tourism
 MacQuarrie, R. W. (Carleton East), assistant to
 the Solicitor General
 McNeil, R. K. (Elgin), assistant to the Minister
 of Agriculture and Food
 Mitchell, R. C. (Carleton), assistant to the
 Minister of Consumer and Commercial
 Relations
 Rotenberg, D. (Wilson Heights), assistant to the
 Minister of Housing
 Stevenson, K. R. (Durham-York), assistant to
 the Minister of the Environment
 Taylor, G. W. (Simcoe Centre), assistant to the
 Attorney General
 Watson, A. N. (Chatham-Kent), assistant to the
 Minister of Community and Social Services
 Williams, J. (Orillia), assistant to the Minister of
 Revenue
 Yakabuski, P. J. (Renfrew South), assistant to
 the Minister of Natural Resources

STANDING COMMITTEES

Administration of justice: Chairman, Mr.
 Treleaven; members, Messrs. Andrewes, Brad-
 ley, Breithaupt, Elston, Gordon, MacQuarrie,
 Mitchell, Piché, Renwick, Swart and Williams;
 clerk, S. Forsyth.

General government: Chairman, Mr. Barlow;
 members, Mr. Brandt, Ms. Bryden, Ms. Copps,
 Messrs. Eves, Hennessy, Kells, McGuigan,
 McKessock, Runciman, Sheppard and Wildman;
 clerk, F. Nokes.

Members' services: Chairman, Mr. Robinson;
 members, Messrs. Boudria, Di Santo, Hodgson,
 Kerr, McLean, O'Neil, Rotenberg, Ruston, Samis,
 G. W. Taylor and Watson; clerk, A. Richard-
 son.

Resources development: Chairman, Mr. Harris;
 members, Ms. Copps, Messrs. Eakins, Eaton,
 Havrot, J. M. Johnson, Lane, Laughren, McNeil,
 Riddell, Stevenson and Stokes; clerk, A. Rich-
 ardson.

Social development: Chairman, Mr. Shymko; members, Mr. Dean, Ms. Fish, Messrs. Gillies, R. F. Johnston, Jones, Kennedy, Kolyn, McClellan, Ruprecht, Sweeney and Van Horne; clerk, D. Arnott.

Procedural affairs: Chairman, Mr. Kerr; members, Messrs. Breaugh, Charlton, Edighoffer, Epp, Hodgson, Mancini, McLean, Robinson, Rotenberg, G. W. Taylor and Watson; clerk, S. Forsyth.

Public accounts: Chairman, Mr. T. P. Reid; members, Messrs. Cousens, Cunningham, Foulds, Peterson, Philip, Pollock, Sargent, Mrs. Scrivener, Messrs. J. A. Taylor, Villeneuve and Yakabuski; clerk, G. White.

Regulations and other statutory instruments: Chairman, Mr. Eves; members, Messrs. Barlow, Brandt, Grande, Haggerty, Hennessy, Kells, MacDonald, McEwen, G. I. Miller, Runciman and Sheppard; clerk, D. Arnott.

SELECT COMMITTEES

Company law: Chairman, Mr. Breithaupt; members, Messrs. Cunningham, Di Santo, Hennessy, Kolyn, Mitchell, Pollock, T. P. Reid, Renwick, Sheppard, G. W. Taylor and Van Horne; clerk, F. Nokes.

Ombudsman: Chairman, Mr. Runciman; members, Messrs. Andrewes, Barlow, Boudria, Cooke, Dean, Eves, Kells, G. I. Miller, Philip, Shymko and Van Horne; clerk, G. White.

Pensions: Chairman, Mr. J. A. Taylor; members: Messrs. Brandt, Cousens, Cureatz, Epp, Gillies, Jones, Mackenzie, McClellan, Peterson, Riddell and Williams; clerk, G. White.

*The lists in this appendix, brought up to date as necessary, are published in Hansard on the first Friday of each month and in the first and last issues of each session.

CONTENTS

Friday, December 4, 1981

Oral questions

Timbrell, Hon. D. R., Minister of Health:

Hospital services, Mr. McClellan, Mr. Ruprecht. 4218

Davis, Hon. W. G., Premier:

Ontario energy investment, Mr. Breithaupt, Mr. Cassidy, Mr. J. A. Reed,
Mr. Roy . . . 4220

Hospital services, Mr. Cassidy, Mr. Ruprecht, Mr. McClellan. 4224

Economic policy, Mr. McGuigan, Mr. Nixon. 4225

Elgie, Hon. R. G., Minister of Labour:

Employee health and safety, Mr. Martel. 4227

Canadian Admiral, Mr. Breithaupt. 4228

Grossman, Hon. L. S., Minister of Industry and Tourism:

Canadian Admiral, Mr. Kennedy. 4228

Walker, Hon. G. W., Minister of Consumer and Commercial Relations and Provincial
Secretary for Justice:

Gas furnace valves, Mr. Ruston. 4229

Handgun sales, Mr. Spensieri. 4229

Ramsay, Hon. R. H., Provincial Secretary for Resources Development:

Status of commission, Mr. Stokes. 4230

Motions

Business of the House, Mr. Wells, agreed to. 4230

Standing committee on public accounts, Mr. Wells, agreed to. 4230

Committee of supply

Estimates, Ministry of Intergovernmental Affairs, Mr. Wells, adjourned. 4231

Other business

Security of Legislative Building, Mr. Breithaupt, Mr. Gregory. 4215

Withdrawal of remarks, Mr. Nixon, Mr. MacDonald, Mr. Martel, Mr. T. P. Reid, Mr. Wells,
Mr. Shymko, Mr. Renwick, Mr. Cassidy, Mr. Riddell. 4216

Tribute to Dr. Paul Poisson, Mr. Ruston. 4230

Answers to questions on Notice Paper, Mr. Wells, tabled. 4231

Adjournment. 4243

Appendix A

Answers to questions on Notice Paper

McMurtry, Hon. R. R., Attorney General and Solicitor General:

Ku Klux Klan, question 239, Mr. Breaugh. 4243

Death of John Joseph Royal, question 249, Mr. Breaugh. 4243

Snow, Hon. J. W., Minister of Transportation and Communications:

Rail report, question 247, Mr. Ruston. 4243

Appendix B

Alphabetical list of members of the Legislature of Ontario, members of the executive council, parliamentary assistants and members of committees. 4244

SPEAKERS IN THIS ISSUE

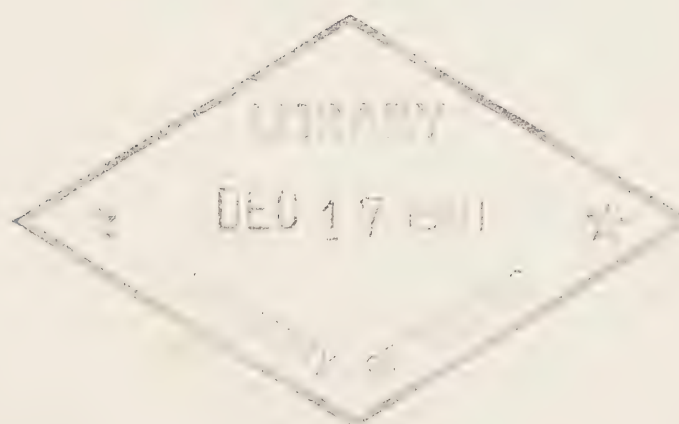
- Boudria, D. (Prescott-Russell L)
- Bradley, J. J. (St. Catharines L)
- Breithaupt, J. R. (Kitchener L)
- Bryden, M. H. (Beaches-Woodbine NDP)
- Cassidy, M. (Ottawa Centre NDP)
- Cureatz, S. L.; Chairman (Durham East PC)
- Davis, Hon. W. G.; Premier (Brampton PC)
- Eakins, J. F. (Victoria-Haliburton L)
- Elgie, Hon. R. G.; Minister of Labour (York East PC)
- Gregory, Hon. M. E. C.; Minister without Portfolio (Mississauga East PC)
- Grossman, Hon. L. S.; Minister of Industry and Tourism (St. Andrew-St. Patrick PC)
- Kennedy, R. D. (Mississauga South PC)
- Kerrio, V. G. (Niagara Falls L)
- Lupusella, A. (Dovercourt NDP)
- MacDonald, D. C. (York South NDP)
- Martel, E. W. (Sudbury East NDP)
- McClellan, R. A. (Bellwoods NDP)
- McGuigan, J. F. (Kent-Elgin L)
- Nixon, R. F. (Brant-Oxford-Norfolk L)
- Ramsay, Hon. R. H.; Provincial Secretary for Resources Development (Sault Ste. Marie PC)
- Reed, J. A. (Halton-Burlington L)
- Reid, T. P. (Rainy River L-Lab.)
- Renwick, J. A. (Riverdale NDP)
- Riddell, J. K. (Huron-Middlesex L)
- Robinson, A. M.; Acting Chairman (Scarborough-Ellesmere PC)
- Roy, A. J. (Ottawa East L)
- Ruprecht, T. (Parkdale L)
- Ruston, R. F. (Essex North L)
- Shymko, Y. R. (High Park-Swansea PC)
- Spensieri, M. A. (Yorkview L)
- Stokes, J. E. (Lake Nipigon NDP)
- Timbrell, Hon. D. R.; Minister of Health (Don Mills PC)
- Turner, Hon. J. M.; Speaker (Peterborough PC)
- Walker, Hon. G. W.; Minister of Consumer and Commercial Relations and Provincial Secretary for Justice (London South PC)
- Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)



No. 119

Legislature of Ontario Debates

Official Report (Hansard)



First Session, Thirty-Second Parliament

Monday, December 7, 1981

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Monday, December 7, 1981

The House met at 2:05 p.m.

Prayers.

PROVINCIAL AUDITOR'S REPORT

Mr. Speaker: Before proceeding I beg to inform the House the report of the Provincial Auditor for the fiscal year 1980-81 is being tabled today, and in accordance with standing order 91 it stands referred to the standing committee on public accounts.

BUSINESS OF THE HOUSE

Mr. Speaker: I would like to draw to the attention of the honourable members there has been a mistake on page 554 of the Votes and Proceedings of the assembly for Friday, December 4 concerning a motion by Mr. Wells. It is quite obvious the House will meet in the chamber on Wednesday and Thursday of this week; however, the dates are wrong. That will be corrected in the journal.

Mr. Smith: I thought the Treasurer (Mr. F. S. Miller) was around. Am I mistaken? He was jogging this morning, I know, around Queen's Park.

Mr. Nixon: Oh, oh; that means new policy.

Mr. Smith: That may mean another rebate for the car industry, I do not know. Could the whip check?

ORAL QUESTIONS

TORONTO ICTS LINE

Mr. Smith: Mr. Speaker, while we are looking for the Treasurer I will direct a question to the Minister of Transportation and Communications regarding the \$1.2 million study of public transit for the Toronto waterfront.

Will the minister give the House the following guarantees: first, that the study will deal with the transportation needs in that area and not simply the location of an intermediate capacity transit system line; second, that it will consider alternatives to ICTS technology; third, that the study will be carried out by a neutral and independent firm and not by the subsidiary of the Urban Transportation Development Corporation; and fourth, that the province's offer to pay 90 per cent of the first \$100 million cost will

stand even if the independent study finds the ICTS is not the preferred mode for use in that area.

Hon. Mr. Snow: Mr. Speaker, that certainly is the reason for the study. As I am sure the honourable Leader of the Opposition knows, an initial study was carried out by representatives of the Toronto Transit Commission, the city of Toronto, Metropolitan Toronto and my ministry. This study was submitted to Mayor Eggleton, to Mr. Godfrey, to the chairman of the TTC and to me. It recommended this further study to do exactly what the honourable Leader of the Opposition has suggested: to look at the public transportation needs in the waterfront area. They recommended that it not be limited to any degree.

I cannot guarantee the study will be carried out by an independent firm. It will not be UTDC, I can tell the honourable member that. It may be a joint working group headed by the TTC's own planning staff, who planned other TTC projects, in conjunction with representatives from Metro, from the city and from my ministry. I can assure the member they will be looking at the overall needs and the best way those can be met.

The third part of his question, whether the province will pay 90 per cent of the first \$100 million even if it is not an ICTS system, will have to be answered at a later date if that is the recommendation.

Mr. Smith: Supplementary, Mr. Speaker: May I ask why it is that in Toronto the minister is going to use a group that is not a UTDC subsidiary, but he did not favour Hamilton with such an independent study? We got a study done by UTDC's subsidiary, Metro Canada. How is it that the minister is willing to look at forms of transit need in Toronto other than the ICTS but he is not willing to do the same in Hamilton? Could the minister explain why he would have money to help Toronto with 90 per cent of the first \$100 million if the intermediate capacity transit system is used, but he might not have it if a proper study indicates some other technology would be better?

2:10 p.m.

Hon. Mr. Snow: As I stated, this study is

mainly being carried out by the Toronto Transit Commission in conjunction with Metropolitan Toronto and our ministry. That group may decide to use outside consultants. To my knowledge it is not planned that the Urban Transportation Development Corporation or Metro Canada will carry out that study.

In the case of Hamilton or the region of Hamilton-Wentworth, it was the decision of the technical group there to carry out the study on the ICTS system, including the city representatives who, if I recall correctly, unanimously approved entering into a contract with Metro Canada.

Mr. Cassidy: A supplementary question, Mr. Speaker: If it is the desire of the provincial government to assist in the transportation needs of Metropolitan Toronto, the study should not be focussed just on the waterfront area. It should look at other areas where new rapid transit might be built in line with the priorities set out in the metropolitan region's plan, which did not include a waterfront line. Is it not the case the provincial government intends to try to get a line down on the waterfront as a showcase regardless of whether it happens to fit into the transportation priorities of Metropolitan Toronto?

Hon. Mr. Snow: Mr. Speaker, the TTC and Metropolitan Toronto have an ongoing program to plan their present and future transit needs. They have been discussing this for a long time. In discussions I have had it is certainly recognized there is a definite need for an improved transit system on the waterfront, especially with the changes that have taken place and the approval of major new facilities in the waterfront area.

I believe it is recognized a study should be done. As far as I am concerned we are not in any way limiting the study to the Canadian National Exhibition and so-called Union Station loop. The committee that is studying it, and Metro, will be able to look at the total transportation needs on the waterfront, east to west, as they are looking at all other transportation needs. It has been our policy as a government and as a ministry to respond to programs.

Mr. Cassidy: That was not what the minister was proposing. There was a look at Eglinton, at Steeles and at Queen.

Hon. Mr. Snow: I can only say exactly what the situation is at this time. I cannot say what the situation was 10 years ago. Over the years, this government has responded to the proposals put

forward by the TTC or Metropolitan Toronto, in the construction of the Spadina subway, in the east and west extensions to the Bloor-Danforth subway and now in the construction of the system that is connecting the east-west subway to the Scarborough Town Centre. All those projects were planned and proposed by Metro Toronto, which we responded to with our funding.

Mr. Smith: Is the minister unaware that, in his task force report, it said the government of Ontario is prepared to use its Board of Industrial Leadership and Development program to stimulate the planned development of the waterfront? It says ICTS will be the technology for rapid transit in the central waterfront area.

Now the minister has accepted that other types of transit will be looked at in the study, I would ask two questions: First, why will he not do a similar study in Hamilton where \$3.5 million has been spent just on the one technology? We have been told if we do not take that we get nothing. Second, why would he now say to Toronto the 90 per cent of the \$100 million might not be available in that amount unless the ICTS is used? Why is the minister so tied to that when it should be the real needs that guide the spending as shown by an independent study?

Hon. Mr. Snow: The BILD document, as I recall it, made a specific commitment to the 90 per cent funding for the first \$100 million of an intermediate capacity transit system project on the Toronto waterfront, if Metro, the Toronto Transit Commission, et cetera, decide to proceed with that. That is a commitment. I cannot make a commitment beyond what the BILD document made. I am not going to speculate that, after the studies are carried out, the ICTS will not be the chosen system. After all, the Scarborough extension was planned to be a streetcar system. We had fully agreed to fund that system as a light rail system.

It was the council of the borough of Scarborough that made the decision, and came back and asked us to reconsider putting an ICTS system in there. I assure the member that was not initiated from my office. It was initiated by the elected representatives of the borough of Scarborough. The decision in Vancouver to use the ICTS system was made by the people who represent the city of Vancouver, not by my ministry.

ONTARIO ENERGY INVESTMENT

Mr. Smith: A question to the Treasurer, Mr. Speaker. The Treasurer will recall the very

serious exchange we had in this House a month or so ago when he made it plain that even though he was against many aspects of the Canadianization program—he was against the government using taxpayers' money to buy into American-owned oil companies—he said that even though the deal would probably not mean new jobs or more oil for Ontario, at least the Suncor deal was a good investment.

Now we have had a chance to hear testimony from the so-called experts in which even they indicate that, given the cost of money and the anticipated return, we can expect to lose millions in interest for the next few years. They told us we can hope to break even by the end of the deal, about 25 years from now. So why does the Treasurer persist in saying it is a good business deal? Why does he not advise the Premier (Mr. Davis), while there is still time, not to sign the Suncor deal?

Hon. F. S. Miller: Mr. Speaker, I assume the honourable Leader of the Opposition has come to his own conclusions based upon the exposure he had last week at the caucus meeting to the people who advised the government on the value of the purchase. The fact remains we posed a single question to that group and I believe they explained that. The single question was what is the value of the 25 per cent interest in Suncor. They came back with an answer and left to us the decision to buy it or not to buy it.

When financial analysts look at all the assets of a company and the cash flow predictions, obviously they make certain assumptions in the process, but I believe they are assumptions they make in a careful and probably conservative way to make sure the advice they give us is at least on the cautious side. I would argue that if those advisers said the shares were worth somewhere in the range between \$550 million and \$675 million, with a quarter interest, they were allowing for all the normal financial tests, allowing for the interest rates in effect at that time. Therefore, I would have no reason to question that advice.

Mr. Smith: Supplementary, Mr. Speaker: The Treasurer must surely know he is wrong on that. The experts have said they were asked what the price would be for the shares and they based it on an estimate of between 15 and 20 per cent return over the 25-year life of the deal. They specifically said they did not take into account what the money would cost the province to borrow in order to pay for those shares. They specifically said that was not their concern.

It is the province's concern, however, and the cost of money approximately equals the overall return to be expected over 25 years with a definite cash flow deficit for the next several years. Given that, and the fact the Treasurer knows better than anyone just how hard it is to come by the money he needs to make things happen in Ontario, even to the point where he has to consider user fees in the health system, surely he has the responsibility to have the courage of his convictions and either say do not sign the deal or else resign from his position. He knows this is money Ontario can ill afford to waste in this way.

2:20 p.m.

Hon. F. S. Miller: Again there are two points there.

The member said interest rates of the day were not used. I counter that and say any time multiples of earnings or cash flow are used to set an asset value they take into effect the going interest rates. A few years back, it was not too uncommon to find companies selling for 20 times their earnings. Nowadays they are selling for much lower multiples because we have higher interest rates. That fundamental test should be used.

In the second question, he implied that Ontario had a hard job finding cash to run the government.

Mr. Smith: Why are you increasing user fees if you have a lot of money?

Hon. F. S. Miller: In eight out of the 10 past years, I hope the honourable member knows, we have not had to go into the marketplace to borrow any money except for those moneys that are held under the bond programs.

In eight of those past 10 years, we have actually covered all operating costs of this government out of our revenues, and a good part of the capital additions too. We can get money. Unlike the government in Ottawa we have been unwilling to borrow more or to spend more because we believe we are giving a fair mix of services to the people of the province, and we still are.

We can afford higher taxes if the member wishes. We can afford higher spending if the member wishes. One of the hallmarks of this province is that we have been very cautious before we spend taxpayers' money.

Mr. Cassidy: Having given this statement about his fiscal rectitude, could the Treasurer explain why the government is now prepared to borrow, by means of a note, \$325 million from

Suncor in order to help finance this purchase? It is prepared, possibly, to borrow the further \$325 million for the other half of the purchase. It is not prepared to undertake \$600 million, or some other figure of spending, in order to create jobs in the province at a time when we are faced with the worst economic crisis Ontario has seen for the last 20 years.

Hon. F.S. Miller: The only criticism I heard from the New Democratic Party was that we only bought 25 per cent. I thought they wanted us to buy 51 per cent, and that would have required at least \$1.3 billion, as they know, or \$1.35 billion.

There has been no sacrifice of any government program spending deemed necessary by the cabinet of this province because of the Suncor deal.

Mr. Smith: If the Treasurer of Ontario feels he has all the money he requires to carry out his important programs, could he kindly explain to the people of Ontario why he has found it necessary to privatize beds and bring in user fees in the health system, raise the ad valorem tax on oil during the last year to an unheard of point and to bring in the largest increase in taxation in his last budget that we can remember in this House. Why are universities and hospitals told they do not have enough money for funding?

If he has all the money he needs and feels quite flush with money so that the Suncor deal, good or bad, is not going to hurt him very much, then why did he have to raise taxes? Why will he not fund hospitals and why is he privatizing beds instead?

Hon. F. S. Miller: We are not changing the way hospitals have been dealt with over the years. The Leader of the Opposition knows that. There have always been private and semi-private rooms; there has always been a differential, and it has been an insurable service. The only change was to free up the rate setting and allow the hospitals to keep some of the benefit. Surely that is not a change to a two-tier system, as some have called it, or some other major change. It is giving the hospitals a little more flexibility on their own end, so that they are not totally dependent upon the province for every dollar in the form of a budgetary allocation.

WITHDRAWAL OF REMARKS

Mr. MacDonald: On a point of order, Mr. Speaker: I am sorry I was delayed in getting to the House, or I would have raised this before the

question period began. I shall leave it to your judgement as to whether you want to add the time this point of order takes to the question period.

Last Friday, the honourable member for Brant-Oxford-Norfolk (Mr. Nixon) raised the requirement of having the rules lived up to rather firmly, particularly when anybody in the House describes another member of the House as having lied. The government House leader (Mr. Wells) supported that and so did some others. Finally, at least for that issue, it was resolved when the leader of the New Democratic Party withdrew his offending words.

I raised this at that time and nothing has happened, so I have to raise it again. It is now clear on the record that the Leader of the Opposition (Mr. Smith) also told the government it had lied. From Hansard, I quote the leader of the Liberal Party:

"The leader of the New Democratic Party was thrown out of the House for saying the Premier lied. He was 100 per cent correct." At that point the microphones were turned off. The Acting Speaker, the member for York Centre (Mr. Cousens) did not hear what was shouted across the floor, interestingly enough, but it was picked up in the gallery and reported in the *Globe and Mail* as the Leader of the Opposition having said, "Of course they were user fees. You lied to the people of Ontario."

I draw to your attention that the Canadian Press story that has gone out to papers all across the province has these two paragraphs in it: "A short time later Liberal Leader Stuart Smith said inside the House what Cassidy had said was 100 per cent correct and he shouted across the floor to the government members in general, 'You lied to the people of Ontario.'"

There is no doubt about it, as was pointed out in the *Globe and Mail* editorial Saturday morning: "But why was Acting Speaker Don Cousens later less firm with Liberal Leader Stuart Smith? Dr. Smith said, 'You lied to the people of Ontario.' Hansard as well as Speaker Cousens failed to take note of Dr. Smith's words, but they were spoken. Perhaps Speaker Cousens did not wish to see the Legislature bereft of opposition leaders, but it was an uneven treatment of the two parties."

I think there is no doubt the Leader of the Opposition told the government side of the House it had lied. I now ask you to apply the rules of this House evenly, as the member for Brant-Oxford-Norfolk pleaded with you.

Mr. Smith: Mr. Speaker, on that point of order, I am certainly prepared to withdraw the offending words. There are two things that need to be withdrawn. The first, I believe, is the statement that the leader of the NDP was 100 per cent correct. I certainly want to withdraw that. He never is, he never will be.

The other statement I wish to withdraw is, if I said, "You lied to the people of Ontario," I will withdraw that and substitute instead, "You did not tell the truth to the people of Ontario."

Mr. Speaker: That does not really alter the situation to any great degree. Contrary to the point raised by the member for York South, indeed there is room for doubt, contrary to what you may think. At present this matter is under investigation and has not been forgotten or lost sight of. As soon as I have a report I shall report back to this House. At this time it is unclear whether the allegations contained in the newspaper are 100 per cent correct. I just do not know.

Mr. Stokes: He even admitted to saying it.

Mr. Speaker: Yes, I heard him, and that should dispose of that, but I am not really prepared to accept the substitute words.

Mr. Stokes: Are you saying the Leader of the Opposition is lying?

Mr. Smith: I do not want to prolong this. I will withdraw any allegation that the Premier has lied or that he is a liar. That is unparliamentary. I withdraw that. I say simply that he did not tell the entire truth and I think I am entitled to say that. He did not tell the entire truth on the subject of user fees and I think he knows that himself.

2:30 p.m.

Hon. Mr. Davis: Mr. Speaker, on the point of order: I do not intend to get into this debate. I find it regrettable when members of this House use the kind of terminology they do—

Interjection.

Hon. Mr. Davis: I confess that when we have been involved in political campaigns I have indicated the Leader of the Opposition is sometimes not totally factual; which happens to be true, he is not. That is only a human error, because one cannot know everything and when one pretends to he makes mistakes.

The last part of his observation, that I knew, is totally factually incorrect. I will restate it very

simply. The member should read my speech very carefully. We made it abundantly clear what was intended.

Mr. Kerrio: I force my kids to do that when they misbehave.

Mr. MacDonald: Mr. Speaker, on my point of order, I appreciate you are looking into it and listening to the tape. I have done that. I have no doubt it was said because most of the people in the gallery heard it. However I leave that to you to look at.

The point I am raising is that this is the second time this year in which there has been an uneven application of the rules. On an earlier occasion—

Interjections.

Mr. MacDonald: On the point of order, Mr. Speaker—

Mr. Speaker: Order. With all respect, there has not been an uneven application of the rules because there is some doubt. If you have listened to the tape, you must have doubt in your mind—that is not recorded.

Mr. MacDonald: May I complete my point of order?

Mr. Speaker: No, because nothing is out of order.

Mr. MacDonald: This is an uneven application of the rules.

Mr. Speaker: No it is not. Order.

WINTARIO GRANTS

Mr. O'Neil: Mr. Speaker, on a point of privilege: Since the Minister of Culture and Recreation has taken his seat in the Legislature, I rise on a matter of personal privilege dealing with members on this side of the Legislature. I understand the minister will be making announcements this week concerning the capital grant approvals made by Wintario.

On Thursday this week, I called the minister's office asking whether that information would be made available to members on this side of the Legislature. I was informed we would be told about it only this week when the minister makes his announcement. I also understand the minister has given pre-information to some members on his side of Legislature as to those grants that have been approved. I ask the minister if he will clarify this matter.

Interjections.

Hon. Mr. Baetz: Mr. Speaker, since the question was raised as a matter of privilege, I want to advise the House that, as the member opposite has suggested, there will be an

announcement on the new capital grants program very soon, probably tomorrow. The usual procedure will apply. When all the grants have been approved and if the announcement is made tomorrow, the mail will be going out tomorrow night or Wednesday morning. We will be following the same practice we have followed over the years, which is that every member in the House will be getting a copy of the letter of approval. The members opposite will have it just as soon as they have it over on this side.

Mr. O'Neil: Mr. Speaker, further on the matter of personal privilege: Can I take it then that is the minister's assurance that not one member on his side of the Legislature has received that information prior to when the letters go out later this week?

Hon. Mr. Baetz: Mr. Speaker, is that a supplementary point of privilege?

Mr. Cassidy: What is this?

Mr. O'Neil: Mr. Speaker, I would like an answer on that. Yes or no?

Mr. Speaker: I thought, with all respect, the minister had answered that in the original statement.

Mr. Bradley: Is that yes or no?

Mr. Speaker: The member wants an assurance that—

Mr. Foulds: Is this question period?

Hon. Mr. Baetz: Mr. Speaker, that is right. Obviously, it is now known what projects are going to be approved and what projects will not be approved. That information is confidential. It is in the computers. I have no way of knowing if one member someplace in this House got some information. I cannot verify that, but I can say that the practice tomorrow will be a fair one, the same practice we have followed over the years.

Mr. O'Neil: Mr. Speaker, on that same matter of privilege, if there is one member on that side of the Legislature who has received that information before members on this side, it is surely something that is wrong, and I would like an assurance of that.

Mr. Speaker: I think the minister did, with all respect.

USE OF TIME IN QUESTION PERIOD

Mr. Cassidy: Mr. Speaker, on a point of order: I trust that—

Mr. Speaker: Is this the same one?

Mr. Cassidy: No, it is not, Mr. Speaker. I think it is a gross abuse of the question period, and I trust you will add some time to the question period in order to compensate for that.

Mr. Speaker: I think you are absolutely right, and I am prepared to do that. Let us move along.

[Later].

Mr. Speaker: Order. I am prepared to add 10 minutes to the length of question period for the points of order that were raised.

TRIBUTE TO DONALD C. MacDONALD

Mr. Cassidy: Thank you, Mr. Speaker. I do have a brief point of privilege, in which I think all members of the House can join me in a very positive way. Today is the sixty-eighth birthday of the member for York South (Mr. MacDonald) and he has now spent 26 years in the Ontario Legislature. I want to congratulate him for his fine service to the people of Ontario. No minister needs to respond to that.

HOSPITAL SERVICES

Mr. Cassidy: Mr. Speaker, my question is to the Premier. He must be aware that since the announcement made by the government that it was going to raise to more than half the number of private and semi-private beds which hospitals can have on their rolls in Ontario, and give them local option to do so, the Minister of National Health and Welfare of the federal government has stated quite specifically what the federal requirements are under the federal legislation, in saying in the Commons committee on Friday that under the accessibility criteria of medicare, and under the actual legislation, half the beds in any given hospital must be public beds. They must remain absolutely public, not only for those Canadian customers without money who cannot pay, but for those who do not want to pay because they have already paid through their taxes for their access to medicare.

In view of that statement by the federal Minister of National Health and Welfare, would the Premier not agree that the decisions announced by the government last week constitute a clear violation of the accessibility to medicare which should be maintained in Ontario?

Hon. Mr. Davis: Mr. Speaker, no.

Mr. Cassidy: Is the Premier aware, then, that the Minister of National Health and Welfare has stated quite specifically, "If the minister in Ontario wanted to change the 50 per cent rule, he would have to obtain my permission, which I

would not give because it is a breach of accessibility, and it would have to mean an amendment to the law as well”?

Why is it that the government undertook at the Ontario level to violate the agreement with the federal government, and, by not seeking permission from the federal government, also to jeopardize the funding for more than \$2 billion of federal funds coming to Ontario for medicare?

Hon. Mr. Davis: My answer will be very simple: first, we do not believe we are jeopardizing; second, they are all public beds in Ontario hospitals; third, we do not believe we are in breach of the law.

Mr. Cassidy: Is the Premier saying that if two thirds of the beds in a hospital are semi-private or private, that is no violation of a rule that says 50 per cent of the beds must be public? Is the Premier saying that if 95 per cent of the beds are being charged for, it still does not violate the rule?

Is the Premier not aware there are rules that were put in with the hospital insurance plan that were meant to ensure that hospital insurance would be available to all Canadians without their having to pay extra, and that the government of Ontario entered solemn agreements with the federal government to maintain those criteria, which are essential to medicare and essential to hospital insurance? Why, after 20 years, is the government of Ontario backing away from those requirements of universal medicare freely available and freely accessible to every citizen in Ontario?

Hon. Mr. Davis: Very simply, we are not.

QUEEN STREET MENTAL HEALTH CENTRE

Mr. Cassidy: Mr. Speaker, I have a new question, which is to the Minister of Health. Is the minister aware of the conclusions reached by the joint conference committee of medical staff at the Queen Street Mental Health Centre, wherein they determined that the situation at Queen Street has reached the point where psychiatrists are unable to review the treatment of acute and chronic patients as often as demanded by medical standards; where they find that required home visits to patients can no longer be made; where they conclude there has been a reduction both quantitatively and qualitatively in the standards of care; where they now speak of the frustration and hopelessness which has beset the staff because of the circumstances

created by the freeze imposed by the ministry, and where they speak of the rapid deterioration of services to the extent where it endangers the patients?

Could the minister say why the ministry was not aware of that situation at Queen Street and why no action has been taken to improve it?

2:40 p.m.

Hon. Mr. Timbrell: Mr. Speaker, a number of the ministry's actions in the last year are indeed intended to improve the situation at Queen Street. First, let me say we do not believe the situation at Queen Street constitutes a threat to staff or patients. Second, when we changed the administration at Queen Street earlier this year, it was the first tangible action on our part, recognizing as we did at the time that things were not all they could be at that hospital.

Having done that, we engaged outside consultants to make a thorough objective review of the programs at Queen Street. The honourable member will recall the initial report of those consultants was discussed at some length in the public press. I am sure he will also recall they were finding and continue to find some fault with the way programs have been carried out at Queen Street.

In particular, they were finding fault with what is known as the primary therapist model, with the geographic unit versus the functional program model, with the policies of the hospital with respect to the use of physical restraints, their policy being to use those hardly at all, if at all. Out of that review will come a number of significant changes in the program at Queen Street.

I could add that the government has approved the establishment of a medium secure unit at Queen Street as a means of better handling some of the more difficult patients. All of these things are aimed at improving Queen Street, not at perpetuating what we recognized some time ago was not an ideal situation.

Mr. Cassidy: The Treasurer (Mr. F. S. Miller) just told the House no public program in Ontario has been sacrificed to pay for Suncor. Could the minister explain how he expects any improvement can be made at the Queen Street Mental Health Centre when the government projects spending on its psychiatric services in 1981-82 will be only one per cent higher than the spending back in 1980-81, and when the government has reduced the number of psychiatric beds in the province by 15 per cent since 1975, bringing them down from 9,400 to less than 8,000?

Hon. Mr. Timbrell: Just to deal with that matter, I cannot quote you the numbers of beds in our 10 provincial psychiatric hospitals, but if I remember correctly, the number of beds in the 10 hospitals is just in excess of 4,000. The only reductions in my time in the Ministry of Health have been through the closing of Lakeshore Psychiatric Hospital. As the member will recall, all the inpatient population of Lakeshore Psychiatric Hospital was moved into vacant beds at the Queen Street Mental Health Centre.

That is the only change in my time. Over the last 10, 12 or more years a number of community psychiatric units have been established. At this time, about 60 are functioning in public hospitals or general hospitals, which I believe total about 2,000 beds, or something in that order.

Coming back to the question of the estimates, the member's health critic could tell him that when we discussed that matter in the estimates committee, I pointed out to him—and I do not have the figures in front of me—that last year there was quite a jump from the printed to the actual estimates and the difference between the printed and the actual was the settlement with the union. This year's printed estimates do not include anything for the settlement. That will be added when the settlement with the Ontario Public Service Employees Union is known to our staff, so the increase in spending will be much more than one per cent.

The member is right if he compares last year's actual, which includes the settlement money, with this year's printed estimates. It is about one point something-or-other per cent. What he has to compare is printed to printed and actual to actual. It would be much higher than one per cent.

Mr. Ruprecht: Mr. Speaker, according to the article in the *Globe and Mail* that the NDP leader referred to, the minister received a hand-delivered letter on November 13, which outlined concerns of the medical staff at Queen Street over the declining quality of patient care. It recommends, in regard to the hiring freeze and replacement of eight psychiatrists who left and have not been replaced, that they be replaced this year. What course of action will the minister take to try to overcome a serious problem of this nature?

Hon. Mr. Timbrell: I thank the honourable member for asking that question, Mr. Speaker. I am glad he raised that point, because in the whole article, which I read this morning, there was only one thing with which I took issue and

that was the statement early on in the article that I had said I did not have any time to read the letter. That is not at all what I said—

Mr. Ruprecht: That is not what I am saying. I am not saying the minister did not.

Hon. Mr. Timbrell: I might take the opportunity to correct the record because in a way I think my privileges were abridged, because I did not say that. In fact what happened—I checked very thoroughly and had most of the office working all morning to find out about this letter, and we have no record of having received the original copy of the letter—is that apparently a Dr. Frank phoned my secretary subsequent to the date the letter was sent. I am not disputing it was probably sent, but I am saying we cannot find any record of ever having received it.

Subsequent to that, she phoned my secretary to follow up on the question of a possible meeting, and my secretary told her she could not recall having received it or seen it, at which point a copy was sent. That copy arrived in my office on the 24th, 11 days after the date of the original letter. On the 25th, it was sent out immediately to the director of the psychiatric hospitals branch asking him to prepare a reply for my signature as soon as possible. Discussion of the date of a possible meeting is also pending with my secretary. I wanted to clear that up.

As regards the freeze, at this point I am advised by the director of the psychiatric hospitals branch that there are eight frozen positions at Queen Street. The total complement at this time is 1,131 full-time equivalent positions at Queen Street, and there are eight frozen positions. Over and above that there were, until about 10 days or two weeks ago, 10 medical positions, three psychiatric and one medical, which positions were, if you will, unfrozen, and for which hiring will proceed.

Throughout the application of the freeze, since the spring of this year, selective rehiring has gone on to preserve the integrity of the program. In fact I am advised that the complement today, which I am advised is 1,131, is within 10 or so positions of what it was a year ago. So in fact there has not been, in this last year, a significant reduction in the staff, which one would understandably conclude there had been, given the way the matter has been reported.

Mr. Cassidy: Mr. Speaker, the minister states he just had a copy of the letter sent to him a few days ago by the medical review committee at the hospital. Could the minister explain what is

it about the operations of the Ministry of Health itself that leads to the minister not being aware of the feelings of frustration and the difficulties the staff were having long before November 24 when he actually received that letter?

Specifically, what is it about communications within the Ministry of Health that, when the fact that the medical director of the Queen Street Mental Health Centre—the largest in the province, I think it is—tells his superiors that staff are becoming dangerously overburdened in terms of their capacity to meet the demands for service, talks about the situation having become intolerable and submits memos to his superiors to that effect back on September 30, leads to there being no reaction and apparently no cognizance of that taking place within the ministry, unless it is a decision by the ministry to try to ignore completely the problems of the Queen Street Mental Health Centre?

Hon. Mr. Timbrell: Even if we wanted to, and we do not, that would be impossible, obviously. The decision to lift the freeze on the three psychiatric and one medical positions was taken on the advice of the administrator and the medical director of Queen Street. I have been aware, of course, as we all have, of a variety of concerns at Queen Street. I suppose that is to be expected inasmuch as we decided almost a year ago, getting on for a year ago, that rather than enlarging the staff even further, as was recommended by the medical staff at the end of their think tank session held at the Guild Inn last October or November, the time had come to do a complete review of Queen Street.

2:50 p.m.

Given that we were not satisfied and we had heard any number of complaints about the geographic units versus functional programs and of various things—the primary therapist model and so forth, all those things that had been coming in for criticism in the consultant's report—rather than accepting that report, we said, "No, we are going to change administration; we are going to engage consultants to look at all these policies"—including things such as have been raised by the health critic and the member for Parkdale; the so-called open door policy and so forth, all of these matters—"in order that we can carry out our responsibility as the ministry responsible for that hospital and say, 'This is the role we intend that you will play in order that you may best meet the psychiatric, and/or mental health needs of the people of the catchment area which you serve.'"

I can assure the honourable members that since the new administrator has gone there, he informs me he has been holding daily meetings with the medical director and with the director of nursing to go over all the daily reports and to follow up on anything that is untoward in any of the daily reports. I am told he now meets monthly with the medical director and with the medical advisory committee. There have been a number of changes in the administrative structure at Queen Street, I think all to the better.

I should say too that I am told there was a recent audit of nursing care carried out by the director of nursing and she has reported that nursing care in the hospital has improved. I am also pleased to note, which is perhaps one indication of overall morale, that the number of lost days per employee has gone down this year from 14.2 to 12.2, which is one barometer, one index one could use to indicate that perhaps things are not quite as bad as some would have us believe.

HUNEAULT DUMP SITE

Mr. Boudria: Mr. Speaker, I have a question of the Minister of the Environment. The minister may now be aware of a dump site in the city of Gloucester called the Huneault dump site. The site has been the source of complaints to his Ottawa regional office for a very long time, concerning odours. The site is located immediately across from the Notre Dame des Champs school and the schoolyard is often filled with gulls and other birds which inhabit the site.

Given that all certificates of approval issued for the site and the original application indicate that the dump is to accept only 100 per cent industrial, nonorganic and inert material; given that these photographs, which I have here and which I will send to the minister, and the presence of birds clearly indicate that organic waste of one form or another is obviously going on to this site, would the minister ensure that this site is operated in a legal manner according to the specifications set out in his certificate of approval?

Hon. Mr. Norton: Mr. Speaker, I shall look into that matter and give the honourable member whatever assurances I can. Obviously, off the top of my head I am not sure whether it is the dump or something else that might be attracting the gulls, but I will certainly try to find out.

Mr. Kerrio: Mr. Speaker, the minister may very well have some question about that, but the fact is that representatives from his ministry have visited the site and said that indeed they

were being plagued by complaints about the operation of the site, especially recently, related to odours. In his consultant's report, it says "a section dealing with the operation will be necessary. Although there have been improvements, there was indeed odour on the site."

When the minister considers that this site was just to accept waste such as concrete and other building materials, while my colleague has mentioned the gulls and pictures of what is obviously garbage being dumped on the site, the fact that his inspectors went there and found this to exist appears to be somewhat of a contradiction with some of the reports that other members and inspectors of his ministry have given on this site.

It appears there should be some thorough investigation made of this situation, because there is a great deal of controversy about it and we cannot get precise clear answers. I wonder if the minister would have that done.

Hon. Mr. Norton: Mr. Speaker, I will certainly inquire into it. If by "a thorough investigation" the member means a judicial inquiry or something, I do not think that kind of response is necessary, but I will certainly respond to the concerns expressed by the honourable members opposite. I must say, although I am impressed by the photography, I cannot really tell from the pictures whether the material is organic or inorganic. But I will certainly inquire of the ministry.

Mr. Smith: Seagulls know.

Hon. Mr. Norton: Seagulls know, but I am not sure if—

Mr. Smith: They don't chase concrete.

Hon. Mr. Norton: Well, you never know.

Mr. T. P. Reid: Otherwise they would be landing on your head.

Hon. Mr. Norton: You never know when you might meet a kinky seagull.

Mr. Speaker: Order.

Mr. Boudria: Mr. Speaker, because this facility is located right across from a school and the danger is potentially much greater than it would be otherwise, would the minister assure us that his ministry will do an especially thorough investigation? We have been told by people that organic food waste is sometimes dumped at night or at times of the day when nobody is looking. Would the minister undertake to look into those aspects, not just make a routine check in the daytime and say, "Well, this appears to be fine"? Would he investigate this

thoroughly, because there have been very many complaints. The thousands of birds that he has seen in the picture, as the Leader of the Opposition said, are not chasing concrete.

Hon. Mr. Norton: For the third time, Mr. Speaker, yes.

RENTAL CONSTRUCTION LOAN PROGRAM

Mr. R. F. Johnston: Mr. Speaker, this is a question for the Minister of Municipal Affairs and Housing. It concerns the thousands of people on waiting lists for assisted housing in Metro Toronto, emergency cases such as those of women who are pregnant and have two kids and who applied to the Ontario Housing Corporation in July and were told they would not get in until next spring.

Does the minister think he is doing enough to stimulate assisted housing starts when he is going to have only 132 assisted units in Metro Toronto under the Ontario rental construction loan program, when up to 40 per cent of private housing, according to the housing registries, will not accept women or women with children, and when he is following a policy of evicting the empty-nesters at a time when there is an 0.3 per cent vacancy rate in the private market?

Will he accept the request of the Metro Toronto social services committee that OHC involve itself directly in housing construction in Metro, which it has not done for the last six years? Will he look at the possibility of using province of Ontario lands, such as those east of Bay Street, to provide substantial assisted housing starts in Metropolitan Toronto?

Hon. Mr. Bennett: Mr. Speaker, I have spoken on the subject of the provision of rental subsidy homes in this particular community and, indeed, across Ontario. The honourable member might say that we have not been in the direct construction business, and that is absolutely right—but that has not been since the last six years; rather, since about 1978 or 1979, when there was an agreement by the 10 provinces and the federal government that we would then get into nonprofit housing, both public and private, and into the co-op units. Indeed, we also got into rent supplement by the private sector.

Through those programs we have attempted to satisfy to the greatest degree possible the need for units for people on subsidies in all communities in the province. I pointed out to the members of this House during my estimates, and I do it again today, that our advancement through the co-ops and so on has been rather

rewarding. Indeed, the Ontario rental construction loan program will reach better than 15,000 units under construction by the conclusion of this month, and that is for the province of Ontario. We have indicated very clearly that to qualify for that program, 25 per cent of the units must be made available, where necessary, for rent supplement purposes.

I think when you put that together with the amount of turnover we have in the housing program in this province, whether it be ownership, nonprofits or through the rental construction loan program and the supplementary rent program, there is a 10 per cent turnover even in this community. The cases that have been referred to will be analysed by OHC.

Mr. Philip: Supplementary, Mr. Speaker: Since the minister met with his federal counterpart, Mr. Cosgrove, on December 4, can he relate to the House specifically what they may have discussed on that occasion concerning the Ontario Housing Corporation's empty-nester evictions policy? At that time, at that meeting with his federal counterpart, did he propose a revision of the eligibility criteria and the cost-sharing agreement, and can we expect an end to the present position of evicting people simply because they no longer have any children at home?

Hon. Mr. Bennett: Mr. Speaker, I am not sure whether that is a supplementary, but I am prepared to answer it. It is very clear that I met with the minister reporting for housing in Canada in my office this morning, not on December 4.

3 p.m.

We reviewed a number of issues relating to the rent supplement program, the rental construction loan program and the new program announced by Mr. MacEachen on November 12, and we looked at the empty-nester policy as it relates to Ontario Housing Corporation and as to how it affects other parts of Canada as well. My comment on that is that I said to Mr. Cosgrove that his people, my people and the Ontario Housing Corporation will be reviewing it and hoping to have a policy announcement some time in the new year. This met with the minister's acceptance.

Mr. Sweeney: Supplementary, Mr. Speaker: Is the minister aware that last week at the regional council in Waterloo, James Gray, the regional chairman, expressed grave concern at the inability of our region to house people who have emergency needs because of the extreme

shortage of OHC units in our area? If so, and if this pattern is repeated in other regional areas around the province, does the minister have any advice whatsoever to offer to such a regional chairman?

Hon. Mr. Bennett: Mr. Speaker, I expect Mr. Gray likely had some comment to make. Others have had comments to make on it as well. I must say the regions are not forbidden from trying to assist in the problem of emergency housing if they see a problem in their communities.

I do not have the exact figures with me on that particular region, but we have attempted through the Ontario rental construction loan program to put more units both on the private rental market and in those that require assistance in that community, as we have in any other across the province.

I am not disregarding it. I said clearly in my estimates a week or so ago that there are some problems in the field of housing and the immediate need for some units. That is why we have pressed the private sector to participate with governments in trying to find a solution to that situation. There is no funding under the Canada Mortgage and Housing Corporation, and the loan program for the provinces and the federal government, to go back into direct construction in major urban areas.

There happens to be one program which allows for this in the rural and native programs in various remote parts of Ontario and the rest of Canada, and in some of the smaller communities, where CMHC still takes a rather active part with the OHC in actual construction.

COW-CALF STABILIZATION PAYMENTS

Mr. Pollock: Mr. Speaker, I have a question for the Minister of Agriculture and Food. Last Tuesday, the minister announced a program for cow-calf operators. He also mentioned he was going to establish a high-powered action committee and appoint one member at large from the farm community. Has the minister appointed that member yet?

Hon. Mr. Henderson: Yes, I have, Mr. Speaker. I have appointed Mr. Fred Lewis, who is the reeve of London township, ex-warden of Middlesex county and a graduate of the Ridgetown College of Agricultural Technology. He has a beef cattle operation, a broiler chicken operation and is a cash crop farmer. I am happy to report that committee is meeting today.

I am sure the member for Huron-Middlesex (Mr. Riddell) would agree that Fred Lewis is a top candidate for this. The reason we chose Mr.

Lewis is we felt we should get a farmer from western Ontario. Mr. Ralph Barrie is from eastern Ontario and we wanted a farmer from western Ontario. Mr. Lewis lives north of London near the area where they are having problems.

WINTARIO GRANTS

Mr. Eakins: Mr. Speaker, I rise on a point of privilege relating to the answer given to my colleague regarding the Wintario announcement. Could the Minister of Culture and Recreation (Mr. Baetz) investigate and report to this House how the system broke down, allowing the member for Renfrew South (Mr. Yakabuski) to announce a \$1-million bonanza of Wintario grants? Are these the same grants he is going to announce—

Mr. Speaker: With all respect, I think that is a new question.

Mr. Eakins: No, it is not.

Mr. Speaker: Yes, it is.

Mr. Eakins: It is a question of privilege.

Mr. Speaker: If it is a legitimate question of privilege, I will entertain it at the end of question period rather than take up the time of question period.

ANCHOR CAP AND CLOSURE EMISSIONS

Mr. Ruprecht: Mr. Speaker, I have a question for the Minister of the Environment. Because of the minister's inadequate response to my question on November 23, I shall ask it again. Since the Environmental Appeal Board ruled in favour of Anchor Cap and Closure Corporation of Canada Limited to install a stack to control emissions and since the residents in the junction triangle have been complaining about odours from Anchor Cap and Closure company for over a decade, as the minister is well aware, and he fully knows that Anchor Cap has duped his ministry for years into allowing it to have exemptions and extensions in its control order to clean up emissions, will the minister assure this House that rather than placing a control order on the company to abate its emissions, an order in council under the Environmental Protection Act will be imposed on the company to ensure that the pollution abatement equipment is installed by May 31, 1982?

Hon. Mr. Norton: Mr. Speaker, as I am sure the honourable member is aware, the decision made by the Environmental Appeal Board related to the type of technology that ought to be installed. If I recall correctly, they referred

specifically to a new stack. It is my understanding that the earliest time by which one could properly assess the effectiveness of that, once it is installed, would be later than next spring. It is my further understanding that the company will be proceeding forthwith with the construction of the stack pursuant to the decision of the board. If there is any indication of their failure to do that, we will take appropriate action.

Mr. Ruprecht: The minister is fully aware that there is a real pollution problem in the junction triangle area. I am specifically speaking about Glidden paint and Nacan company which are also at present under control orders, and there is a voluntary abatement program.

Following the installation of a stack at Anchor Cap, will the minister undertake the task of further monitoring the area on a monthly basis so that if any further abatement programs of any other companies is required, the ministry will have all the necessary data on which to impose new control orders or orders in council? Will the minister also assure this House that in the future his ministry will not be duped by polluting companies into granting extensions of their control orders? Will the minister also allow that negotiations leading to control orders should be held in a public forum for all matters other than those dealing with confidential information?

Hon. Mr. Norton: We will go even further than part of what the honourable member was requesting in terms of monitoring. That has not ceased. There is a clear timetable being worked out with the company for not only the implementation of the decision of the Environmental Appeal Board, but also for the ongoing monitoring of odours. Subsequently, once the stack is in place, for monitoring for downwind impact from the stack, we will immediately be doing work with the company to determine what can be done to restrict any fugitive emissions, which are those that are not at present directed through the stack even though that, as I understand it, was not specifically dealt with by the Environmental Appeal Board.

I think the ministry clearly has not been duped. As a matter of fact, our position at the hearing was more restrictive than the board chose to accept. The stack was not our first choice in terms of abatement measures. However, we are also bound by a decision of the board and are willing to pursue not only the implementation of that abatement technology, but also further steps to try to reduce the impact upon the residents of that area.

Mr. Kerrio: Mr. Speaker, will the minister not agree that had he accepted the amendment to Bill 143, that would have stopped this process where these companies that continue to pollute can continuously apply for extensions through the appeal process and continue to pollute areas even after they are given a reasonable length of time to clean up a situation that should not exist, not only in this jurisdiction but all across Ontario?

Would he not agree it is time he started looking at the amendments we put so that a company, after it has been given reasonable time, is going to be put to the task of stopping the pollution of our cities and towns?

3:10 p.m.

Hon. Mr. Norton: Mr. Speaker, obviously from time to time I experience frustration about apparent delays in the process, as does the honourable member opposite. But I think the specific amendment proposed by the member during the course of consideration of the amendments to the Environmental Protection Act was a difficult one to accept for a number of reasons. Not least of these was that I still happen to believe that when there is an administrative decision made by an administrator, albeit a senior one, in my ministry or any other, there ought to be an opportunity for some review of that if the individual who bears the brunt of that decision feels it was somehow unfair, and that individual ought to be entitled to some hearing or review.

That is precisely what this provision in the act provides for, and what the honourable member was willing to take away, flying quite in the face, as I understand it, of the intent of the recommendations of the royal commission headed by Mr. Justice McRuer a number of years ago in this province. Following that, a number of provisions were made so that if this kind of thing happened individuals could appeal from certain administrative decisions. I do not think we would want to turn the clock back on that one, even though we do face frustrations from time to time.

CHILDREN'S MENTAL HEALTH SERVICES

Mr. Cooke: Mr. Speaker, I have a question to the Minister of Health regarding a 14-year-old girl by the name of Mary Bulat, who lives in the city of Windsor. At the age of nine, this young girl was diagnosed as having schizophrenia, and since then has had one year at the regional

children's centre, one year at Glengarda, and many years of bouncing around from one spot to another.

She has been, as of November 6 of this year, committed on a doctor's authorization to St. Thomas Psychiatric Hospital, an adult institution, which has indicated to me verbally that it is providing absolutely no treatment for this child; it is simply providing a babysitting service, because there are no facilities available for this 14-year-old girl.

I would like to ask the Minister of Health how it is that in this day and age children like Mary can go untreated for five years in an appropriate facility, and doctors today are throwing their arms up in the air and simply saying, "We have no facility for children of this age who have serious psychotic problems."

Hon. Mr. Timbrell: Mr. Speaker, before I proceed to answer the member's question, I would draw to the attention of the House the presence in your lower gallery of a friend and former colleague of many people here, Mr. John Root, the former member for Wellington-Dufferin and former Minister without Portfolio.

I really am not in a position to answer the honourable member's question, inasmuch as the children's mental health programs have not, for almost five years, come under the Ministry of Health. They have, since July 1, 1977, been the responsibility of the Ministry of Community and Social Services. I recognize the seriousness of the question, and I will take it as notice for my colleague the Minister of Community and Social Services (Mr. Drea), and see that it is drawn to his attention today, or to his staff if he is not in town, so that an answer may be completed for the member as soon as possible.

Mr. Cooke: I understood these services had been transferred to the children's services division, but I also understand this child is in a health care facility, a hospital, right now, and therefore I am sure the minister is, and should be, concerned that these facilities are being inappropriately used and children are being improperly placed in his facilities.

I would to ask the minister if he would also bring to the attention of the Minister of Community and Social Services that when CPRI was looked at in London, the St. Thomas facility indicated the very earliest they could even get an assessment is the end of January; when London Psychiatric Hospital was looked at as an alternative, there was at least a four-month waiting list; when private special foster care facilities were looked at as a possible alterna-

tive, there were none; when they applied to Maryvale in Windsor, they rejected the application because they said the child was uncontrollable; that basically there are absolutely no facilities for this child. In the meantime, she goes on in St. Thomas Psychiatric Hospital with no program, where she is just in limbo, and as was said by the staff, she is just being babysat by the staff at St. Thomas.

Will the minister communicate this to the Minister of Community and Social Services? As a government, when are they finally going to get their act together and provide facilities for children who need institutional care and need the type of institutions that are confined?

Hon. Mr. Timbrell: I will draw all of the points raised by the honourable member today to the attention of my colleague the Minister of Community and Social Services, and ask him to include those in his consideration of his reply to him.

Mr. Speaker: The time for oral questions has expired.

WINTARIO GRANTS

Mr. Eakins: Mr. Speaker, on a point of privilege: The matter of privilege I rose on previously was to follow up on the point of privilege of my colleague and to ascertain from the minister if the announcement made of the \$1-million Wintario bonanza by the member for Renfrew South (Mr. Yakabuski) was the same announcement he had assured the members had not been announced previously to any member of the House.

I wonder if the minister would comment and let the members know how the system has broken down that would allow one member to make this announcement. Is it the same announcement the minister is planning to make later this week?

Hon. Mr. Baetz: Mr. Speaker, I have not seen the press reports that are alleged to have been based on a report made by the member for Renfrew South, so I cannot comment specifically on this. As I noted in my response on an earlier point of privilege raised by the member for Quinte (Mr. O'Neil), I can only repeat what the system is, which is that when the announcement is made—and it will be made very shortly—the letters of approval go out to all the successful projects. At that time, copies of those letters will be issued to every member of this House and they will be made aware of this immediately.

I have no way of knowing how the member for Renfrew South apparently got some information, but I can assure the member this is an exception. Everyone who knows the member for Renfrew South recognizes him as being an entrepreneur and an enterpriser who has had long experience here. Maybe he found a way. I do not know. The policy, as I have noted, is that everybody in this House is informed at the time the letters go out.

Mr. O'Neil: Mr. Speaker, on a point of privilege: I wonder if we might ask the minister to report to this Legislature as to how this particular case happened and whether there were any other breaches of secrecy on this matter. It is an important matter. There should not be one member on that side who has more access on this.

Hon. Mr. Baetz: Mr. Speaker, I have not had an opportunity to discuss this with the member for Renfrew South. I will do so and if I find out anything more from him, I will be happy to report to the House.

Mr. Cunningham: Mr. Speaker, as the minister is contemplating his report to the Legislature, I would be grateful if he would table the guidelines or procedures with regard to the delivering of cheques as well. Certain of us on the opposition side get the idea there is a political flavour to this.

ONTARIO HOCKEY ASSOCIATION

Mr. Breagh: Mr. Speaker, I rise on a point of privilege to try to ascertain what is going on between the Ontario Hockey Association and the Minister of Culture and Recreation.

I have a copy of a letter sent by the president of the OHA, Mr. Brent Ladds, and I will quote in part: "The bottom line to what is outlined, Mr. Minister, is that either Mr. Cousens in his submission has misled the committee on procedural affairs into believing that you recommended that he attend the proceedings, or conversely, that you are misleading us in your letter of November 12, 1981, wherein you outline that the committee acts totally independent from the ministry.

3:20 p.m.

"The chairman is a Mr. G. A. Kerr, MPP from Burlington South. Being a fellow Conservative, I am sure that there must have been some discussion between your office and himself as chairman of the committee, to establish the groundwork for Mr. Cousens' appearance before the committee."

Mr. Speaker, it is clear that somebody misled somebody else; it is not clear who misled whom. I would like you to investigate the matter.

INTRODUCTION OF BILLS

REVISED STATUTES CONFIRMATION ACT

Hon. Mr. McMurtry moved, seconded by Hon. Mr. Wells, first reading of Bill 184, An Act to confirm the Revised Statutes of Ontario Act, 1980.

Motion agreed to.

REVISED STATUTES AMENDMENT ACT

Hon. Mr. McMurtry moved, seconded by Hon. Mr. Wells, first reading of Bill 185, An Act to amend the Revised Statutes of Ontario, 1980.

Motion agreed to.

Hon. Mr. McMurtry: Mr. Speaker, it is customary after the decennial revision of the statutes of Ontario for this House to enact legislation which confirms the effect, in law, of the statute revision. Accordingly, the Revised Statutes Confirmation Act, 1981, confirms the form of the statutes as revised and republished in the RSO 1980 by the statute revision commissioners.

The Revised Statutes Amendment Act, 1981, has as its purpose the correction of certain errors and omissions in the 1980 RSO publication for the purpose of preserving the original text of the statutes amended.

SURROGATE COURTS AMENDMENT ACT

Hon. Mr. McMurtry moved, seconded by Hon. Mr. Wells, first reading of Bill 186, An Act to amend the Surrogate Courts Act.

Motion agreed to.

Hon. Mr. McMurtry: Mr. Speaker, the amendment would permit matters in the surrogate court, in which the office of the judge is temporarily vacant, to be dealt with by a surrogate court judge outside the county. The amendment is parallel to the provisions applied to county court judges under section 17 of the County Judges Act.

EXPROPRIATIONS AMENDMENT ACT

Mr. Kennedy moved, seconded by Mr. Williams, first reading of Bill 187, An Act to amend the Expropriations Act.

Motion agreed to.

Mr. Kennedy: Mr. Speaker, this amendment would permit former owners of surplus expropriated land to repurchase it at the price paid by the expropriating authority, plus interest, rather than having to meet the best offer for such lands as at present.

ARMENIAN COMMUNITY CENTRE ACT

Mr. Williams moved, seconded by Mr. Kennedy, first reading of Bill Pr45, An Act respecting the Armenian Community Centre.

Motion agreed to.

ANSWERS TO QUESTIONS ON NOTICE PAPER

Hon. Mr. Wells: Mr. Speaker, before the orders of the day, I would like to table the answers to questions 255 and 265 standing on the Notice Paper. (See Hansard for Friday, December 11).

BUSINESS OF THE HOUSE

Hon. Mr. Wells: I might also indicate that the business for the day indicates that following the estimates of the Ministry of Intergovernmental Affairs we would move to the second reading of Bill 166. Since it is now likely that the estimates will last right through to six o'clock, it has been decided we would call Bill 166 at eight o'clock tonight before the other orders on the Notice Paper.

ORDERS OF THE DAY

House in committee of supply.

ESTIMATES, MINISTRY OF INTERGOVERNMENTAL AFFAIRS (concluded)

On vote 601, ministry administration program:

Ms. Bryden: Mr. Chairman, I adjourned the debate on Friday. In my very brief remarks on Friday, I selected four questions which I had raised during my introductory comments on these estimates and asked the minister if he would specifically reply to those four questions.

Just to refresh the memory of the minister, I will very briefly enumerate the four questions and then I hope the minister will reply on those issues.

My first question was, did the minister follow my suggestion that he urge the Premier (Mr. Davis) to talk to the other signatories to the November 5 accord on the constitution resolution in order to make a last-ditch attempt last week before the resolution was adopted to get

the override clause lifted from the sections of the charter dealing with discrimination on grounds of sex, physical and mental handicaps, race, religion, age and ethnic origin and such matters?

Also, did he urge the Premier to attempt to get the override clause lifted from fundamental freedoms and legal rights, which are also very important parts of the charter?

Obviously if he did take up this initiative he did not succeed, but I would like to know did the minister and the Premier make an effort to get a further change in the accord.

My second question is, what initiatives is the government planning in order to join in the north-south dialogue and bring more aid to the Third World? Does the province feel it has a role to play in this very crucial area for world development and world peace?

3:30 p.m.

My third question is on the subject of the proposed cutbacks of \$5.9 billion in federal transfers to the provinces over the next five years. What plans does the province have to make common cause with the other eight provinces to oppose reductions in the revenue guarantee in equalization payments and to oppose changes in the established program funding grants for health and post-secondary education?

Such federal transfers are the means we have adopted in this country to establish national standards across the country in social fields. They are the sinews of Confederation that bind us together. I would like to know what leadership Ontario is giving to see that these transfers are not cut back.

My fourth question relates to the hospitality fund which comes under this ministry. While I do not object to the Ontario government providing hospitality to distinguished visitors and honouring people who have made significant achievements, I think the policy of hosting affairs for a lot of visiting organizations should be looked at very carefully in these times of restraint.

Perhaps both the number and the style of such affairs should be reconsidered in the light of cutbacks that are being made in other fields. We do not seem to have enough money to pay adequate allowances to people on social assistance or to provide adequate housing for people who are caught in the very tight housing situation, particularly for low-income people, but we do seem to have money for very elaborate entertainment functions. One way of

cutting costs, as I mentioned, would be to institute cash bars at such affairs, and not encourage the trend towards alcoholism, which is growing in this country. I would like some figures from the minister as to how much the hospitality fund has grown in the last two years.

Those are the four areas in which I would like a reply from the minister before we go on to other matters.

Hon. Mr. Wells: Mr. Chairman, I would be happy to reply to those before we go on to other speakers who may wish to comment on several other matters. First of all, let me deal with the member's first question, which, as I understand it, was, did the minister speak to the Premier about an Ontario initiative to convince the other first ministers to remove the override on fundamental legal and equality rights.

Of course, I discussed this at numerous times with the Premier. If the member is asking specifically whether in the last few days we discussed having it removed at this time after the accord has been signed and as the resolution is going through the Parliament of Canada, the answer is no. The discussions that took place between the first ministers of this country, most of them either by conference call or by Telex, et cetera, concerned straightening out the matter of guaranteeing equality to males and females in the constitution and the reinsertion of an aboriginal rights section.

In answer to the honourable member's question I think it has to be said first of all that Ontario, of course, is one of only two provinces in Canada that consistently supported a charter of rights without any override provision, and I am sure we did so with the support of the all the members of this House. We supported the original charter and the original federal resolution, which did not have any override, and we supported that charter vigorously. When many groups made their presentations before a joint committee of the Senate and the House of Commons there were matters added to the charter of rights. Ontario continued to support that charter as it was revised by the joint committee of the House of Commons and the Senate.

Ms. Bryden: Then you sold it out.

Hon. Mr. Wells: No one has sold out. I am trying to explain what the whole situation is all about. I do not think anyone need question the province's motives. I think Ontario's motives in this matter have always been of the highest. I think there is no need to question the motives of

the Premier or this government when we say we would not use the override in any detrimental manner.

I would like to explain to members why I add that phrase "in any detrimental manner." The inclusion of the override was for positive reasons as much as it was for negative reasons. I realize a lot of people view an override to the constitution as somehow watering down those specific guarantees. However there are others who will argue—and indeed I read the article by Douglas Fisher which I think was referred to here last week by my friend the member for Riverdale (Mr. Renwick). When one reads the whole article, it is really a fairly balanced one.

It says there are eminent authorities on both sides—those who argue that an override is not a good thing and others who say the presence of an override is an added protection. These say it ensures the supremacy of the elected people who are able to correct some wrong that may not have been even envisaged and yet may be brought about by some judicial decision at some time. Therefore, I thought the Douglas Fisher column was fairly balanced and certainly did not argue completely there should be no override in the charter of rights.

Ontario, and of course New Brunswick, supported the original charter, and as members know there were eight provinces in this country that did not support it. Indeed they spent a fair amount of time trying to develop an alternative. They did develop an alternative, which colloquially has been called the Gang of Eight accord. That accord provided for patriation of the Canadian constitution and an amending formula, and was silent, really, on anything at this time in regard to a charter of rights. It suggested that could be worked out in Canada at some future time with the use of the amending formula that they were going to add.

So when we went to the last conference in Ottawa the first week in November, we had the federal government and two provinces in favour of a charter and we had eight provinces saying they wanted no entrenched charter in the constitution of Canada. I think we have to realize that backdrop, that kind of setting to what went on, in order to talk about what went on in Ottawa during that first week of November.

I am not going to quote some of the speeches of former Premier Sterling Lyon, but in the minutes of the December 1980 first ministers' conference, for instance, there were words like these: "I do not think the bill of rights should be

entrenched. We are talking about rights we have as human beings, a charter of human rights, and we are not talking about part of a Confederation bargain." Or further: "We simply do not support entrenching a broad charter, either as a matter of principle, because I think voters should have this ultimate power, or on the basis of our analysis of how this has worked in the United States, or on the basis of extrapolating and saying how it would have worked in Canada had we had an entrenched charter."

Those quotations came from Premier Blakeney who was one of the group of eight Premiers who were not in favour of an entrenched charter of rights. So we get to the meeting of first ministers in Ottawa the first week of November of this year. We get a group of first ministers together who, realizing it was important the constitution be patriated and looking for some common areas of agreement, decided to sit down and work out what those common areas of agreement were. We all know what they were because they are now present in the resolution passed by the House of Commons.

3:40 p.m.

One of the common areas of agreement was that the charter of rights was not to be completely entrenched with no provisions on it. As I recall, one of the documents put forward by Saskatchewan during our two and one half or three days of sessions was an opt-out or opt-in provision. Anyway, there was quite a bit of discussion about putting a charter in and allowing provinces to opt in to it.

In other words there would be a charter which would apply to the federal government, and the provinces, if they wished, could opt in by a vote in their legislatures. It was an arrangement I and this government did not go along with and did not feel would be a satisfactory way of writing a constitution for this country.

Ultimately we came to the point where, by putting a non obstante or notwithstanding section on some of the provisions in the charter of rights to arrive at an agreed-upon constitutional package, it was possible to bring around eight provinces that had said they did not want any charter of rights in the Canadian constitution.

One then has to ask himself whether it is better to say, "We want nothing but a complete, fully-entrenched charter of rights and it is better to continue to battle for that alone," than to take what I think is the same basic charter with some

notwithstanding sections so that of the eight provinces, seven will now come around and agree.

I realize there will be differences of opinion about that but what I have tried to illustrate is the kind of thinking that went on as that arrangement was worked out. What we ultimately got was the charter of rights entrenched in a Canadian constitution which will come home and which will have some notwithstanding clauses.

Then the question is, what do the notwithstanding clauses do? How do they limit what is in the charter? As far as fundamental freedoms are concerned I think it would be very difficult if not impossible for any legislative body in this country to pass any piece of legislation that would in any way take away or diminish any of the fundamental freedoms in that charter. The only time I can conceive of a parliament elected by the people in a country like Canada acting under that provision in so far as fundamental freedoms are concerned, is to use that section to do something that would seem to be infringing upon some of the basic beliefs we have in this country.

In other words, it may be that at some time there would be a judicial decision that would diminish or infringe upon what we would assume would be a fundamental belief in this country. In this way a legislature or the Parliament of Canada under full public scrutiny could pass a notwithstanding act. That piece of legislation would have to be able to sustain itself through three readings, through committee study and through the full force of public opinion looking at it. My friend knows if that were to happen it would obviously have to enjoy a fair degree of support, and it could only take effect for five years.

What is an example of something I am thinking of? We may disagree on this example, but it is one that was brought forward by some of the participants at the conference. Supposing the freedom of religion section was interpreted by a court in Canada, as it was in the United States, to mean that prayers in our public schools were not possible. Such an occurrence might happen, and it worried some of the provinces.

If that happened it would be possible for a legislature to pass a piece of legislation saying, "Notwithstanding the freedom of religion section in this province, prayers in our schools will be legal." I think that is a highly justifiable thing to do. If the majority support was there in the

legislature and the people of that jurisdiction wanted that to happen it should happen. That is the kind of thing people had in mind when they thought of "notwithstanding" clauses.

Another example could be someone worried that the freedom of association section might be challenged legally in court in order to throw out closed-shop labour union agreements as violating a constitutional principle of freedom of association. That was one lawyer's opinion, and numerous other lawyers I asked said it was a ridiculous suggestion. Yet if it happened and there was no "notwithstanding" clause, it would not be possible perhaps to correct that situation.

I am sure that is something everyone in any legislature would want to correct. They would not want a freedom of association section in the constitution used to throw out some hard-won labour-management principles that have been guaranteed in contracts.

I use those as examples to indicate that all that matters in all the things concerning the notwithstanding provisions were not done—and this was put in for highly motivated reasons, it was not an attempt to diminish things in the charter, but to get a little closer to the principle of having the elected people in the legislatures keeping some control over what happens, while at the same time enunciating and guaranteeing rights in this country for all to see.

In so far as the rights of women are concerned, or the equal rights of male and female, it was always the intention of this province when we signed that accord that section 28 would stay exactly the way it was. It amounted to some drafting changes and there were differences of opinion by lawyers as to how to apply the notwithstanding sections that led to some disagreements about the ultimate inclusion of some words in sections 28 and 33 that were eventually, and I think rightfully, taken out. When we signed for this province we always believed section 28 would stay exactly as it was and it would state fully and clearly that everything in this charter was to apply equally to males and females.

Ms. Bryden: Mr. Chairman, I would like to ask one further question just before you go on to the next item. This province did succeed, with some other Premiers, in getting the accord changed with regard to section 28, which deals with equality for men and women under the charter and with aboriginal rights. Since the province did intervene in that part of changing the accord, why could it not have attempted to intervene regarding the override clauses? The

minister has explained the thinking on the override clauses. His first argument was that the province would not use them and his second that, if they were used by any province, it would be for positive changes.

Why would the preamble to the constitution, which says, "These rights shall be enforced within reasonable limits," not be considered adequate for an override to take account of the somewhat unusual cases where there might be negative results from some legislation that attempted to remove discrimination or to protect those fundamental freedoms and legal rights? In other words, there is already an override clause in the preamble, and to put in an additional override clause that allows provinces or the Parliament of Canada to discriminate if they wish is unacceptable to a lot of the groups that have had discrimination practised against them.

3:50 p.m.

Certainly there have been instances in this country where fundamental freedoms have been taken away, as in the treatment of the Japanese-Canadians, the padlock law in Quebec and the War Measures Act. To say that we should allow those sorts of things to happen again, as is possible under the override, is to put fundamental freedoms and equality rights and legal rights in jeopardy. Would they not be sufficiently protected by the preamble phrase?

Hon. Mr. Wells: Neither of us is a lawyer, and we could get into a lengthy discussion about whether they would or would not. All I can say is that the people who worked on this accord did not feel it was an adequate override provision. If they had felt it was adequate they might have been more favourably disposed to the original charter—which of course they were not willing to accept.

You asked why, when we added the male-female equality and aboriginal rights sections, we did not do anything about the "notwithstanding" or override clauses on the rest. We did not suggest anything be done because that was the essence of the accord and, indeed, was the accord. In other words, if you wanted to suggest that the override then be wiped out you were negating the accord we signed.

You have read a lot in the papers about little pieces of paper that were signed and so forth. Here is my piece of paper, which shows what we

were talking about on that Wednesday when we started to work out what would be an agreeable compromise solution for all the—

Mr. Stokes: Was that in the kitchen or the bedroom?

Hon. Mr. Wells: I am not going to tell you where it was.

It is right here. The non obstante on fundamental legal and equality rights was part of the arrangement; it was the essence of the accord. So if we were to go back at this date and say, "Look, fellows, we want you now to take those off; we do not want to go through with that," we would be denying our participation in the accord. Of course, we were not ready to do that, and we do not think it would have been the right thing to do.

I have tried to point out with regard to the section on the equality of males and females that there was in our view—and I do not think all the provinces would agree with this—a misunderstanding in the drafting. When the accord was signed we always believed section 28 would stay exactly as it is now in the final version that was passed. Aboriginal rights were not included, but they were put back in.

It might be good to explain that also, because I think that has been misunderstood. The aboriginal rights section was not included. It is not a part of the charter; it was a separate section in the constitutional resolution. It was not included because when it was discussed it was pointed out that at least half of the native peoples of this country were opposed to the section that was in there. At that time they were opposed to the section that was in; they did not like the wording. In fact, they were already making great noises about opposing the whole constitutional resolution that was then proceeding to Great Britain.

They were part of the group of eight provinces and the native peoples. When we looked at it people said, "We do not have the kind of wording in the section that is really acceptable to the native people so why would we repeat it?" They were originally enthusiastic about it but as time wore on they became less enthusiastic about the wording that was in the original section.

That, certainly, was the perception of most of us around the table in that room that day. So we decided rather than putting it in now we should put in a section that guarantees that a first ministers' conference with the native peoples

present would be constituted within a year when we would work out proper wording. Because there was no—

Mr. Cassidy: You were trying to punish them.

Hon. Mr. Wells: No, we were not trying to punish them. We were trying to get the proper wording. We knew there would certainly not be time, with the involvement of the native people, to get the wording for the resolution that was being drafted at that time.

Mr. Stokes: What do you mean “time?” What was the real urgency?

Hon. Mr. Wells: The real urgency was that we wanted to move ahead with the patriation resolution. Whether we did it then with the wording in place or through a first ministers’ conference with the native peoples present in the next year and then put it in the constitution, one way or another, we would ultimately have the right wording. I am not quarrelling with what we have now—it is fine. We have a section in there that says existing aboriginal rights are protected. We also have a section that says there is going to be a first ministers’ conference with native peoples to define—

Mr. Stokes: What are the existing aboriginal rights?

Hon. Mr. Wells: That is right; we do not know. Nobody knows and that is part of the point. That will, perhaps, become a little clearer when the first ministers’ conference is held with the native peoples and a definition of those aboriginal rights is agreed on. Maybe that is what will be defined but what we have now is a constitutional package that guarantees existing aboriginal rights and suggests that within a year we will have a conference to define what we are guaranteeing. That is fine—that is what we have.

All I have tried to explain is why the section was not there in the first place. I am pleased, and we are all pleased, that it was put back in—

Mr. Stokes: Everybody is pleased except the native people. They are being asked to buy a pig in a poke.

Hon. Mr. Wells: The point I am making, and it is unfortunate, is that it might have been better if the native peoples themselves had been a little more highly supportive of the constitutional package beforehand. I fully acknowledge that Mr. Broadbent moved the original section in the House of Commons. I think he would probably be the first to admit he was rather sorry that four or five months afterwards there

were as many native people who were opposed to that section being in there as there were who agreed with it. They said it was not worded right, that it did not go far enough, and was not the right section.

Mr. Stokes: That’s the problem. There isn’t unanimity.

Hon. Mr. Wells: Perhaps if there had been some vigorous support for the original package from those people at the same time it would have made it easier for us. Certainly it was not in any way suggesting anybody was being punished—

Mr. Cassidy: You put the natives down for more than a century and then you expect unanimity.

Hon. Mr. Wells: No, no. This province—and my friend was part of it—supported the original constitutional package, and we did not hide our light under a bushel when it came to supporting it. As I am sure the member did, I took some pretty rough barbs from some of your colleagues in your party. If he travelled out to Saskatchewan, I am sure he did. We took some barbs from our federal Conservative Party for supporting the original package.

What we end up with is a—

Mr. Nixon: We had nothing but support from our friends.

Hon. Mr. Wells: Well, that is good.

Mr. Stokes: As he said with tongue in cheek.

Hon. Mr. Wells: Anyway, what I have tried to outline to the leader of the third party is that we did not do anything about the notwithstanding or override sections because they were part of the accord that was agreed to. To repudiate or attempt to change those would have really meant we would have been repudiating the accord, which, of course, we would not want to have done.

Question number two—

Mr. Chairman: The member for Beaches-Woodbine (Ms. Bryden) had some inquiries of the minister.

Hon. Mr. Wells: I was going to answer number two, which was about contributing to aid in the Third World.

Of course our answer is yes; Ontario is contributing to aid in the Third World. It is basically a matter for the national government. The national government makes extensive contributions to help for Third World countries in a variety of ways, and 40 per cent of the tax

revenues that go towards those payments come from this province. That is the position we have always taken.

4 p.m.

As far as direct cash grants are concerned, except in cases of assistance in relief, catastrophes and so forth, we have assisted national Red Cross organizations and made contributions to relief funds for various things like the Italian earthquake. We contributed expertise and personnel to the Canadian International Development Agency. We have set up a new corporation, Ontario Educational Services Corporation, that provides a single window through which governments from the Third World may locate and contact educational services of all sorts from this province.

Our Ministry of Agriculture and Food financially supports agriculture and technical research programs in Ontario and in Third World countries, so I am informed. We make donations to various Caribbean countries from time to time in the areas of food, medicine, equipment, educational materials and so forth.

Ms. Bryden: It is rather a cop-out. We are not really adding to the percentage of the gross national product.

Hon. Mr. Wells: I would say we certainly support very vigorously initiatives taken by the Prime Minister and the government of this country in dialogues with the Third World. I believe the majority of the people of Ontario would take those same initiatives. We, the provincial and federal governments, have certain responsibilities. Fiscal responsibilities in that area, I think, belong with the federal government. The people of Ontario are supporting that heavily through their taxes which they pay to the federal government.

Mr. Stokes: Is the minister meeting with Prime Minister Seaga?

Hon. Mr. Wells: Am I meeting with him? I met with him this morning before lunch. I had lunch and listened to an excellent address by the Prime Minister of Jamaica—

Mr. Stokes: We like to know about these things.

Hon. Mr. Wells: I inform members of this House that he is a very impressive person. In his speech to more than a thousand people at the Canadian Club today, he indicated in very clear and unequivocal terms how eight years of darkness and decline in Jamaica have been turned around, and he received a standing

ovation. He hopes they are on the verge of a rebirth of their economic system, et cetera. I thought he made an excellent presentation of the things his government, the Jamaica Labour Party, has done and how they are moving on the road to economic recovery.

He pointed out, which I thought was very interesting, that 28 of 32 countries in the Caribbean basket are democratic countries. We tend to think too often of the Cubas—these are not his words, these are my words—and the Haitis. But 28 countries practise the British parliamentary system. He pointed out that they have two good viable parties. Each runs in elections. The governments tend to change back and forth. It is a very vigorous political system—

Mr. Nixon: We need two parties here; one of you will have to go.

Mr. Rotenberg: It might be you.

Hon. Mr. Wells: He was looking forward to help from the people of Ontario and Canada. I sensed he was going to get it.

Mr. Nixon: The Jamaican flag is flying on the front lawn of the Parliament buildings. I thought he would mention that.

Hon. Mr. Wells: That is because he paid an official visit here today.

The third question was, "Are we making common cause with other provinces to oppose the \$5.9 billion cut in federal transfer payments over the next five years?"

The answer is yes, we are. In the time available I will not go into quoting some of the presentations and speeches which the Treasurer (Mr. F. S. Miller) has made and the positions he has put forward. The finance ministers met in Halifax on November 23 and 24, they are meeting again in Toronto on December 14 and 15, and they will, in all likelihood, have another meeting in January. Seventy-five per cent of the agenda of these meetings has been, and will be, concerned with the established program financing proposals that have been put forward. I would say the almost, if not completely, unanimous position of the provinces is that they are not happy with the new arrangements, and particularly with the cuts in transfer payments that are going to be occurring. Perhaps we can get into that in a little more detail in a few minutes. I do not want to take all the time with my answers.

With regard to the hospitality fund, I would find it very difficult to agree that we are being too lavish with it. For a province the size of

Ontario, for the number of people who come to visit here and for the number of requests we receive, what we spend on the hospitality fund is really quite frugal in overall terms. I know it is a very difficult thing to say in financial times like those we are in now, but I see we spent about \$347,700 in 1980-81 and will probably spend \$311,100 in 1981-82. The total budgeted is around \$350,000, and perhaps by the time the end of the fiscal year comes we will have spent that.

What we have been doing is partially sponsoring a number of events, rather than completely sponsoring the dinners. I recognize and respect the point of view of my friend the member for Beaches-Woodbine. She indicated she did not think we should be purchasing wine or cocktails as part of the hospitality fund. I am sure there are others here who would share that view, and there are others who would not share that view. They might think we should be purchasing Ontario wine and letting the people buy the dinners. There is a variety of views. The way we do it now in a number of events, half sponsoring them, means that whatever your opinion happens to be you can choose to say we sponsored one half or the other half of the event. In fact, for a number of events we have not been completely sponsoring the dinner and reception period that they might have at the event.

Mr. Chairman: We are going to have some confusion here in terms of picking up the debate from the last day. The member for Ottawa Centre (Mr. Cassidy) had indicated to me a desire to be put on the list, but in conformity of rotation I think it appropriate that the member for Prescott-Russell (Mr. Boudria) be allowed his opportunity to make inquiries.

Mr. Cassidy: When did you make the ruling, Mr. Chairman?

Mr. Chairman: About 6:01.

Mr. Boudria: The leader of the NDP will not have to wait very long, Mr. Chairman. I do not intend to speak ad nauseam. I have been waiting to speak, though, since the original speech by the minister. I have been in the House for the duration of all his estimates, so I appreciate the opportunity to speak at this moment.

First, I would like to congratulate the minister for fulfilling this role of Minister of Intergovernmental Affairs. It is a very sensitive one, especially with the constitutional debate, and I think such a position requires a minister who will not create frictions unnecessarily. We seem to have enough of them already.

I also want to say a few words about the deputy minister—I see him sitting there. I am very impressed by the deputy minister as well. I had the pleasure of meeting him a long time before I ever met the minister. We met at a conference of the Organization of Small Urban Municipalities of Ontario in the town of Parry Sound a few years ago. At that conference, I made a speech on why the organization should not place advertisements in Quebec newspapers urging the people of Quebec to vote “no” in the referendum. The reason, I explained then, was that such an action would really be telling the people of Quebec that we in Ontario could go there and tell them what to do. It would have a reverse effect to the results we were trying to achieve.

4:10 p.m.

I think the deputy minister and I had some shared comments on that. I think we agreed that would not have been a good way, although well intentioned. Certainly, the people of the Organization of Small Urban Municipalities of Ontario were well intentioned but I do not think they fully appreciated what the result of that potentially could have been. In any case, that resolution was defeated and I am glad that policy was not enacted by that group.

I would like to speak briefly about the constitution. I am a new member of this Legislature and the whole constitutional process had started quite a while before I came into this great Legislature. Nevertheless, the day I heard a constitutional accord had finally been reached, the first question I asked was whether Quebec was a signatory to it. Unfortunately we learned it was not. I hope that somehow and in some way there is a possibility of getting the government of Quebec to go along with the other provinces.

Perhaps the other provinces will have to make some modifications to achieve that accord and perhaps Ontario would undertake to make some of those changes. Although Ontario has shown great support for the federal government throughout the constitutional process, it has not seen fit to demonstrate to Quebec that we could treat minorities here in Ontario in such a way that would lead them to believe we have every right to be, and every good intention of being, moderate people. We have taken rather extremist views upon occasion, sometimes even greater than the ones they have taken.

In Toronto and in this part of Ontario we hear what terrible things Premier Lévesque is doing to the anglophones in Quebec. That gets a lot of

press here in Toronto and is something it is popular to talk about, but, Mr. Chairman, if you were a francophone resident of my constituency, you would not share those views very much.

I know the minister has stated there have been great improvements in the field of education and in other areas—community and social services especially. There has been great improvement there, I acknowledge that; but what this government has failed to do is to make the symbolic gestures. One may say they are not important. In a way, the constitution is that, it is one of those symbolic gestures. It is not something that puts bread on the table tomorrow. It is something that has more meaning than that, a meaning which is sometimes not apparent to people on a day-to-day basis but nevertheless is important.

In speaking about these symbolic gestures, we can talk about section 133 and about the divisiveness that occurred even in this House among political parties on this whole issue. We can talk of Bill 7, about which I proposed an amendment the other day to have language as a prohibited ground for discrimination. That was not included because that would have been seen as being a “French amendment” and that would not have been popular.

Although we see great improvements in things such as community and social services and education—in the literature, brochures and pamphlets—we do not see very visible things such as highway signs, for instance, because again I think there is a fear on the part of this government that those symbolic things that people can see when they are driving the freeway will frighten them. I do not know why you think that way.

If it is only a political fear, that this government feels standing up for the rights of francophones will lose it all its seats, for instance, then why would this same province re-elect a federal Liberal government, which stood up and enacted official bilingualism a number of years ago? I think a lot of this fear, if it is for these reasons, is just unfounded on the part of this government, and I hope it will make some symbolic gestures in the next short while, at least to show the government of Quebec its good intentions.

I know the minister is going to respond to that with all the past achievements, dating back to when regulation 17 was here, how it was subsequently removed, and how we have progressed to where we are today. But that does not change the fact that, officially and on paper, the policy has not moved very much in matters such

as French education being tolerated and this type of thing. I still think improvements can be made there. I am also very glad to see we are going to have bilingual trials, as enunciated by the Attorney General (Mr. McMurtry) a few weeks ago.

I would like to speak for a few minutes on the program of the government called Renseignements Ontario that the minister referred to in his speech. The minister mentioned a period when he got up to 50 telephone calls per day, and I wonder if he could tell us if, by coincidence, it was during the same period in the election campaign when we had approximately 50 ads a day on television. I suspect it probably was. People in my area and in the riding of Ottawa East, as the member for Ottawa East (Mr. Roy) mentioned the other day, were highly suspicious of those advertisements that came at this very politically opportune time, to say the least.

They did not have much of an effect, mind you, in retrospect, and if that was their purpose, I suggest that money was wasted. I would like to know what the current rate of calls per day is for that program, and also what the current rate of advertising is, because it seems to me I have not heard a “C’est facile” advertisement or a Renseignements Ontario advertisement in the last few months, at least not in my area. I am just wondering if the government has ceased to have those ads completely.

I would also like to talk a little about some of the boundary problems we seem to be having in eastern Ontario, between Ontario and Quebec. I believe it would be the role of the Minister of Intergovernmental Affairs to try to get some co-operation in several areas. In the labour area we have been having a serious problem in Ottawa and in Hawkesbury. Workers from Quebec—tradesmen, contractors, plumbers, what have you—come to work in Ottawa, or they come from Grenville, Quebec, to Hawkesbury, Ontario. But the reverse cannot be done; that is to say, a small businessman or a contractor who lives in my constituency gets stopped at the border if he is going into Quebec. He has to purchase gasoline there; on certain occasions he has to pay the Quebec sales tax on his vehicle, depending upon certain qualifications and certain trades; he also has to have a certificate allowing him to work there. None of these requirements is asked for here.

4:20 p.m.

I am not trying to say we should advocate confrontation and bombard them back with

everything they are doing to us. Rather, I am saying I think the minister should be trying to get some co-operation from the government of Quebec to illustrate to it that some of those laws are just not fair to our local residents in my area.

We have been having very many complaints about this. The minister may remember a few years ago when the heavy equipment operators from the Ottawa area threatened to block the bridge between Ottawa and Hull because of the same reason. Bulldozers and all kinds of equipment from Quebec were coming to do the work on the Ottawa sites. At the same time a considerable amount of work was being done on the federal government buildings in Hull, yet no Ontario contractors, or very few of them, could go there and do any kind of work.

I think this is an area where the minister could perhaps try to get co-operation from his Quebec counterpart. I know that may not be easy. I think one time before we were discussing how the minister had been trying to get more co-operation from his Quebec counterparts on various fronts such as this, but had not been very successful. I would certainly welcome additional attempts at trying to get some of these things done.

A few minutes ago I was speaking about some of the things that this government could do, rather symbolic things, to illustrate to the French-speaking population of Ontario, and to the government of Quebec, that it means business when it says it stands for minority rights. Of course, there is the famous hot potato of the Ottawa area, the French school board, the conseil des enseignants de langue française. That has to be addressed by this government at one time. I know the minister is going to say it relates to education but I think the repercussions go far beyond the educational field.

I guess I will end my comments now, Mr. Chairman. I wonder if perhaps the minister could respond to a few of the things I have said.

Before doing that, the minister mentioned in his opening remarks that some ministries had French-language co-ordinators. I notice that some exceptions seem to be the Ministry of Transportation and Communications and the Ministry of Natural Resources. For Natural Resources in our area, the local area manager is fluently bilingual and has developed his own signing policy for local parks, so they are done in a bilingual way. But I guess that is an initiative he has taken upon himself because there does not seem to be a ministry co-ordinator, according to the information I got and also according to the minister's opening remarks.

The most visible omission is, obviously, the one from the Ministry of Transportation and Communications. Highway signs and this type of thing could be done in a more appropriate way. If there is a part-time co-ordinator for that department, I would like to hear about it and what some of his tasks are, although the minister would probably want the Minister of Transportation and Communications (Mr. Snow) to answer that question.

Nevertheless, I certainly feel if anything can be visible to the French community, it would be better highway signs. I had the opportunity last year of travelling through the states of New Hampshire, Vermont and Maine. I am sure they have far more French signs on their highways than we do here. Certainly, the state of Vermont does, that is for sure. If the United States can do this type of thing on interstate highways, I think the government of Ontario, through the Ministry of Transportation and Communications, can do the same thing.

I will end my comments now. Thank you, Mr. Chairman.

Hon. Mr. Wells: I could just quickly answer some of those things, Mr. Chairman. In so far as the advertising is concerned, my friend was asking whether any ads are at present being placed. A new advertising campaign is just starting. It started last week, and it will be visible over the next six to eight weeks. It seems the telephone calls now average 10 to 15 per day; when the advertising is running, they run up to as high as 50 a day. We are presuming the number of calls will again be coming in once the ad program is running.

On the matter of the Quebec-Ontario boundary dispute, this is something we have discussed at length here, of course. As perhaps my honourable friend is aware, a bill was introduced in this House by the Minister of Labour a few years ago that was never proclaimed; I guess it was never finally passed in this House—

Mr. Samis: It never got to second reading.

Hon. Mr. Wells: I guess it never got to second reading because it was never necessary. It was brought in here—

Mr. Cassidy: The problem exists to this day.

Hon. Mr. Wells: I accept that my colleagues who live in the area would be more aware of that. But first of all I want to say that the Minister of Labour of this province and the Minister of Labour of the province of Quebec met many times, had many discussions and exchanged extensive correspondence on this

matter, particularly with regard to jobs in general and construction industry jobs in particular on both sides of the border.

A variety of proposals was put forward, most of which were not completely acceptable, particularly to us. But as I recall it, the bottom line, after the new regulations came in and settled in in Quebec, was that through permits and through a variety of other means an equal number of people were crossing the boundary both ways, as they had been before.

I assume that if this were not the case we would have heard more about it recently. But I must confess to the members that I have not heard anything or had any correspondence on the question of jobs and mobility.

Mr. Boudria: I sent a letter to the Minister of Labour (Mr. Elgie) on it.

Hon. Mr. Wells: I guess he has not sent it along to us, then. I do not know that any progress has been made as far as contracting and tendering are concerned. That has always been the case, certainly; it cannot be laid at the feet of the present government of Quebec. It began many governments back in 1962 when, for a variety of public jobs, particularly at the provincial and municipal levels, Ontario contractors and Ontario people were frozen out of the tendering process. I do not agree with that. I think it is absolutely wrong. I think they should be able to tender on jobs across the—

Mr. Cassidy: That says something about your government. You are not able to stop it.

Hon. Mr. Wells: It does not say anything about our government. I will tell the honourable member what it does say about our government: this government—I say in its infinite wisdom, though the member in his comments suggests it is not so—has decided that one does not fight one wrong with another wrong. In other words, there is no way they are going to lift those restrictions at the present time. I have sat and talked with the Quebec people, and I am sure the member opposite has. They are going to maintain that Quebec-first tendering policy.

Mr. Boudria: I was talking about private contracts.

Hon. Mr. Wells: Private contracts, of course, are up to the individual person. I do not know that there are any laws in Quebec that overtly prevent a person from getting a contract. Now, there may be certain licensing requirements and regulations that make it difficult.

But let me just deal with the other matter. It is my understanding that on government jobs they

will not take a tender from an Ontario firm. As I said, I do not think that is right, but I also do not think it is right that we then reciprocate, which is about the only thing left to us. In other words, we have always believed that under the constitution there should be free movement of goods, services, people and capital.

In the new constitution we should at some time have something that prevents governments from placing these kinds of barriers around their own provinces. We do not have that at the present time, except for mobility rights. But we in this province are not about to respond in a like manner to Quebec; we will continue to urge Quebec not to discriminate against people who want to tender from the other side of the Ottawa River.

4:30 p.m.

As for private firms using Ontario firms in Quebec and so forth, I understand there are a number of arrangements. People have set companies up on both sides of the river. They license their trucks in Quebec so they can use them on jobs over there. There is a whole host of things happening, some of which allow them to get around those restrictions. I cannot really discuss it in any greater detail but I realize that does not help to solve it.

There is nothing this government will not do to try to solve the problem. We are willing to sit down and work out ways of solving the problem. Indeed, there have been some reciprocal arrangements signed between our revenue ministries and with the Ministry of Transportation and Communications in some of the heavy construction areas.

We will certainly sit down and do those things, but it has been difficult to get Quebec to come around on some of those areas. If you want to fault us for not being able to convince them, fine, but they are difficult people to convince.

You were asking about French-language co-ordinators. MTC has a part-time co-ordinator now and we are still working as the co-ordinating ministry to urge them to have a full-time co-ordinator. Their part-time co-ordinator is an assistant deputy minister, John Barr. He is listed as their part-time French-language co-ordinator.

They also have eight regional co-ordinators in the various regions. Mr. Barr has appointed those people to decentralize the whole French-language co-ordinators' role in that ministry. I know the Minister of Natural Resources (Mr.

Pope) would like to have a co-ordinator and is working towards getting one. We are working with him and we hope one will be added shortly.

Mr. Boudria: Too bad Omer Déslauriers is going. He could have taken that job.

Mr. Cassidy: Mr. Chairman, one cannot help feeling from time to time that the Ontario government is anxious to see the promotion of Franco-Ontarians to high positions in government, provided they run as candidates for the Ontario government first, at least for the Conservatives.

I am a bit frustrated that the constitutional debate we should have had in this House did not take place at this time. The government resisted having a debate two weeks ago when we proposed it as a matter of urgency and emergency. In fact, discussion on the constitution, rather than being a focus and a matter of drama for the Legislature and the public, has become something attended by four government backbenchers and one government minister. I do not think that is good enough.

I believe among other things that the constitution is something we in this Legislature will have to continue to take an interest in. I believe we have only accomplished the first stage of what needs to be done and there are some important future stages. It is hard to tell to what extent that will be done quickly or to what extent the participants will be exhausted by the process up to now, so that the next stage of constitutional reform will have to wait for five, 10 or even more years.

I spoke a year and a half ago in the course of the constitution debate. Let me take people back to the mood that prevailed at that time. Heartfelt emotional appeals were being made to Quebec and there was a feeling of crisis. This place was full. The debate was one of the best we have had in this Legislature for a long time. At last, after successfully trying for so long to exclude the Legislature from what was happening in terms of considering the future of the nation, there was at least some participation here.

For a brief time we had a select committee on constitutional reform which did useful work, although it was cut off because it was set up much too late. It was cut off with the move into the election in the fall of 1980 and then in the spring of 1981.

There were a number of issues before it then and some are still outstanding. At that time it was clear everybody wanted to see patriation. The question of language rights was very much

on our minds and on the minds of many people concerned with constitutional reform. The question of human rights, of equality rights, was on people's minds because proposals had already been made by the federal government for a charter of rights or something corresponding to that.

We had not yet begun to look at the questions of economic and social rights. I am afraid those questions have been ignored and abandoned in the course of the document that is now going to Westminster. That is something to which we must still give a great deal of attention.

The question of multiculturalism was given a sort of sweep of the hand, a little reference in the charter and nothing more than that. Making a reality and turning into a reality the recognition of the multicultural existence or the multicultural reality in this province, is something that had not been done in the constitution and which we need to do in the future.

There is the whole question about federal institutions which has yet to be seized upon by this government, by the federal government or by anyone else. As a Canadian, I happen to be proud and glad of the fact that in the end it was possible to come to an agreement which most of the population of the provinces of the country through their governments were able to accept.

The process was messy. If you look at what happened, you will find that probably on almost every issue every participant was at various times on both sides of that particular issue. It seems to me there was a great deal of politics and not too much principle at times in terms of the creation of the constitution, something which students of history, as some of the minister's officials I believe are, would recognize is not much different than what happened back in the period from 1864 to 1867.

We need to do some cleaning up of the process now. That can be done unilaterally by Ontario and I would hope to hear the minister say that Ontario was prepared to do that. For example, I believe the notwithstanding clauses are objectionable. I am sorry they are in, although I am prepared to recognize as one person and as one party which called for one last attempt by the provinces to come up with an agreement, that once the federal government sat down with the gang of eight, inevitably if an agreement was going to come out of that it was not going to be based on the position the federal government or Ontario took in to those negotiations.

There had to be some changes. There had to

be some compromises and compromises there were. To give Ontario some credit, and in this case it is due, Ontario was one of the actors who precipitated the unblocking that took place on the second or third day of the constitutional conference.

However, bear in mind that for a period of some months prior to that conference last month, Ontario was prepared to live within a charter of rights which had no loopholes and no notwithstanding clauses. Ontario was prepared to take the view that should there be difficulties with a charter of rights, as I am sure the minister realizes could have occurred since we were going on to uncharted ground, the way to resolve that was not to have provinces dancing around using notwithstanding clauses in order to make the charter of rights look like a piece of Swiss cheese, but the way around that would be to subsequently amend the charter using the amending formula in order to set anything right which had been unforeseen and did not work out as we had hoped.

I want to suggest that is the way we should be prepared to act now. I think that not only should there be a commitment from the minister, but from the Ontario government right now, that it will not under any circumstances use the notwithstanding clause. We should have legislation in this Legislature which puts that intention into law. I understand that still can be overridden by another law. There is no way we can have a primal law or an overriding law within Ontario, but none the less we should at least give legislative intent to what has been stated publicly by the Premier, which is that Ontario has no intention of using the loopholes and of using the notwithstanding clauses.

We should do that partly in order to encourage other provinces to hold to the charter without using the loopholes and partly because loopholes can work two ways. Loopholes can be used—and the minister gave some examples—in order to override objectionable features of the charter where the charter, for example, was used within the courts in order to prevent union shop rules or prevent the right of workers to join together or where the charter was perhaps used in order to sabotage or undermine affirmative action programs which everybody in this House would agree were desirable and should be supported.

Loopholes can also be used to sabotage affirmative action programs which have otherwise been found to be acceptable under the charter of rights. Notwithstanding clauses can

be used in order to disrupt the rights of workers to associate together even though that has been found to be acceptable under the charter of rights. Notwithstanding clauses can be used to take rights away as well as to give rights where questions are raised by the courts.

4:40 p.m.

That is why I do not believe Ontario should leave that nice, soft “out.” I think we should have legislation that puts into Ontario’s law the intention that Ontario made clear through the Premier from the very beginning, which was that we were prepared—and my party was prepared to see that as well, as far as Ontario was concerned—to live under a charter of rights that had the force of a superior law and that could not be overridden by a simple statute, whether that statute came once or had to be repeated every five years.

When we look at the constitutional process, the minister has given some inadequate explanations with respect to the cop-out that took place over the questions of native rights and women’s rights. I still do not understand how Ontario, having endorsed the charter of rights in the constitutional package with protections for women’s rights and for native rights, which were inserted because of far-seeing amendments put in by the New Democrats in the federal Parliament, could then turn around and at the stroke of a hand simply forget them as a result of a chummy deal between the 10 male Premiers of Canada and the Prime Minister, also male—and none of them Indians, for that matter.

I think the Minister of Intergovernmental Affairs is naive if he believes the clause that was inserted with respect to a conference on native people’s rights could ever have ensured even the bare minimum that has been achieved since the lobby of native rights groups finally got the charter turned around over the course of the last couple of weeks. The fact is that conference, which was to take place within a year or two, would have been subject to the new amending formula, and under the new amending formula there would have been every possibility that three provinces would have stood in the way and prevented any adequate constitutional protection for the rights of the native people of Canada.

That was what the crunch was all about. That was why it is so important that the native people’s organizations and networks got going and turned around the governments in western Canada, and turned around even this government to the point where we were prepared to

see the changes made. I think it is shameful that Ontario was not prepared to provide leadership while the Premiers were together up in Ottawa in order to ensure that was done at the time rather than having to wait until later.

There has been a great deal of change in the constitution since this country was created back in 1867—among other things, an enormous increase in the responsibilities of the provinces, which originally were intended and were foreseen by the founders of Confederation to be a little more than “minor local legislatures,” in the words of Sir John A. Macdonald. The welfare state, the movement of governments into a key planning role in the economy, and a number of other things have changed the balance of power between the federal and the provincial authorities.

Some things in our country, however, have not changed. A century and a half ago, we experimented with the unified system of government in Canada, where the legislatures of Upper and Lower Canada were combined. It took Lord Durham and all his men to sort that mess out in order to see what had to come next. He saw clearly from the united parliament situation of the 1840s and 1850s that unless both Quebec and Ontario were given independent powers this country could not hold together.

In the case of Quebec, the government of Quebec had to have the capacity to maintain and safeguard the French fact in a North America that would otherwise be almost entirely English-speaking. That is a reality we discovered more than a century ago. I am afraid the weakness we have now, the tragic weakness of the constitution that has now been adopted by the Parliament of Canada, is, as so many of my colleagues have already stated, the isolation of Quebec.

I understand that part of that isolation is self-inflicted, and part of it is as a result of the policies of the Parti Québécois, and to some extent also because of the various positions taken by Monsieur Lévesque, on behalf of the people of Quebec or on behalf of his government, over the course of the constitutional negotiations. None the less, Canadian Confederation is only possible as long as we recognize that Quebec is going to remain as a province not quite like the others. That province has to have sufficient powers to maintain its unique and distinctive position in Confederation and on this continent.

Ontario has a special responsibility when it comes to ensuring that this particular status for

Quebec is defended. We are the largest English-speaking province; more than half of the English-speaking population of all of Canada is here in Ontario. Until recently we have been the richest province in terms of per-capita income. There is no question that in the past we have occupied a special place in constitutional development.

We have special responsibilities and special obligations—and this was the tenor of the debate in this Legislature in May 1980—to make Canada work and to break the isolation of the people of Quebec, and those responsibilities are like the responsibilities of no other province. I want to suggest in looking forward that we have responsibilities which have been unfulfilled, and in looking back that we have failed to live up to the responsibilities we have traditionally had.

Someone, some province outside Quebec, has to be prepared to explore all the avenues that are open to building Canadian Confederation, to breaking the isolation of Quebec, to making a new and signal contribution to Canadian unity and to the survival of a powerful and independent nation, a dynamic nation, on the North American continent.

When I spoke back in May 1980 I spoke about the central role that Ontario and her government could play in building Canadian unity. I spoke then about the nature of the leadership that we should and could provide in this country. It was sad to talk about it then, because through the entire decade of the 1970s this province, the Conservative government and its Premier had failed to provide that kind of leadership. It was a kind of leadership we had once provided.

During that entire period we made statements and we submitted briefs and that kind of thing, but where the devil was the reaching out to Quebec? The most we did was that, right at the very end, the Premier of Ontario was prepared to make some small gesture to unblock the logjam which had bedevilled the constitutional debate at the time the Premiers met a month and a half ago in Ottawa.

Look at the things that could have been done and look at the things, Mr. Chairman—and I say this to the minister as well—that we could and should be doing now, and doing unilaterally, regardless of what the other provinces are prepared to do. Where is the program from Ontario to find and use every means possible to break the isolation of Quebec? Where are the efforts by this province to prove to the people of

la belle province that they are a part of Canada, that they are as welcome in Toronto as they are in Montreal and that they are as welcome to settle anywhere in Canada as they are in Quebec?

Where are the guarantees here in this province, no matter what progress we may have made in the course of the last year, that basic services are not only available now in French but that they will continue to be available in French and that francophones will not have to give up their vibrant and distinctive culture? Where is the guarantee that Canada will become a society in which two great cultural entities can meet and mingle, building a society that is unique in the world, stronger and more vital culturally than any other?

C'était Sir Wilfrid Laurier qui a dit en 1900 que le vingtième siècle ce sera le siècle du Canada. C'est possible que c'est quelque chose que nous pouvons achever. Nous avons encore l'occasion de devenir la seule société qui est vraiment ouverte, qui est vraiment biculturelle, qui est vraiment bilingue et qui est vraiment multiculturelle.

C'est seulement dans cette façon qu'on pourrait assurer que le Canada reste entier, que le Canada reste intégral, que le Québec continue à rester une partie de la nation du Canada, une partie qui contribue à la diversité, au caractère, à la richesse de ce pays. Tout le Canada anglais a fait des promesses envers les Québécois pendant le vote de mai 1980 sur le référendum à Québec. Nous avons promis de changer nos attitudes, de changer des structures, de changer du Canada dans une façon pour assurer la survivance des Québécois sans la séparation et sans la démolition du Canada que nous connaissons et que nous aimons.

4:50 p.m.

Those were the promises we made just 18 months ago. I am very sad to have read, after this weekend's conference of the Parti Québécois in Montreal, that we have been so unconvincing that not only does the Parti Québécois condemn the constitutional arrangements made in Ottawa, not only does it condemn the English-speaking Premiers and the Prime Minister of Canada for the isolation of René Lévesque, but it has now decided that association simply does not count at all.

Mr. Mancini: How can you convince a bunch of separatists?

Mr. Cassidy: As far as it is concerned,

sovereignty alone is the goal of the Parti Québécois and will be its goal in the 1984 election in that province.

Even Mr. Lévesque is upset at that determination by his own party. It would appear he has lost control of some of the stronger talents and some of the stronger and more opinionated members of his own party, but the fact is the Parti Québécois, democratically united in Montreal, has said it no longer sees any point in even considering association with the rest of Canada. That is a party which enjoys the majority of the votes cast and the majority of the seats in the National Assembly of Quebec.

Mr. Mancini: That was their platform when they ran for office.

Mr. Cassidy: They are prepared to look at association with the rest of Canada after Quebec has had the chance to establish itself with independence, after Quebec has had a chance to look around. They will also look at association with the Caribbean countries, with France, with Belgium, maybe even with the United States. Canada will be one of the countries on the list.

Is there so little between our provinces that it can come to that? Has there been so little done by this government in 38 years that there is no resonance at all within Quebec? Have we nationally in Canada and provincially in Ontario ignored our brothers and sisters in Quebec to that extent?

One has to conclude something serious has gone wrong and there has been a grave failure of comprehension and a grave failure to reach out. We thought the referendum was having an impact on the government of this province, on the people in control over there in the Conservative Party, in getting them to wake up to the French fact—as the member for Essex South (Mr. Mancini) does not appear to have done—in getting them to wake up to what is happening in Quebec and to the need to fight to make this country survive. None of that seems to have penetrated the minds of the government of Ontario.

I was in Ottawa on November 20. I was in my riding for a great riding dinner and to demonstrate with people from Quebec and Ontario, united 100,000 strong, on the steps of the Parliament of Canada on Saturday, November 21.

Mr. Mancini: The figures get bigger every time you say it.

Mr. Cassidy: It was 100,000. You should have been there. There were some of your constituents.

That was a mighty demonstration of concern and of unity and solidarity on behalf of the working people of Canada. I stood in Majors' Hill Park while 30,000 or 35,000 people—I do not know how many thousand people—came across from Hull where they had assembled. They came from Chicoutimi, from Chibougamau, from Rouyn-Noranda, from Montreal, from Quebec, from Ile l'Estrie, from the Gaspésie. They came from all over Quebec.

It was a stirring and magnificent sight to see working people, my brothers and sisters, coming across to stand shoulder to shoulder with working people from British Columbia, Alberta, Manitoba and Saskatchewan, from the Atlantic provinces, Ontario, the Northwest Territories and the Yukon to express their concern about the economic policies of the government of Canada.

On Friday, November 20, an advertisement was placed in all the French papers, including *Le Droit* in Ottawa. It was signed by Association canadienne-française de l'Ontario, by the Saskatchewan Franco-Canadian Cultural Association, by the Franco-Ontarian teachers here in Ontario, by the Franco-Ontarian school boards, believe it or not, by a series of Quebec groups including the Société nationale des Québécois, not a PQ association at all, but a French-Canadian organization in many parts of Quebec.

They said bitterly, defiantly and sadly that they denounced the constitutional accord between the federal government and the nine anglo provinces. They expressed a profound indignation that 10 governments with an anglophone majority were allying themselves against the only francophone government in North America, the Quebec government.

They took account of the fact that the federal government had not assured adequate protection to francophones in the past and that the constitutional proposals would not guarantee to francophones outside of Quebec respect for their fundamental rights.

They affirmed that there should be no expectation of a constitutional accord without Quebec's approval. They recalled that the federal government had never used its constitutional powers to disavow the anti-French legislation in Manitoba and the anti-French legislation in regulation 22 here in Ontario in 1912.

Mr. Nixon: In 1917.

Mr. Cassidy: Thank you, 1917. They established that the provincial governments which signed the accord had not had a glorious record when it came to respecting rights of the Franco-Ontarians. That includes the government of Ontario, because only eight years ago it was impossible to drive, get a birth certificate registered, get married, die, anything like that, in French. Even today, it is not possible to have a will registered in Ontario in the French language despite all the determination and bold claims made by this government. One can have it translated at government expense but one cannot have it registered in French.

They pointed out that even in 1981, as a consequence of Ontario's restrictive legislation, it is not possible to have a will in French. They invited the deputies and senators of French language not to support the constitutional accord. In fact, the federal colleague, the member for Ottawa East, Jean-Robert Gauthier, in the end did not support the constitutional accord for the reasons which I have just laid out.

These things do not come overnight. The minister may well say we disagree with certain aspects, and that in fact in associating himself with the gang of eight, Mr. Lévesque had given up the right of a Quebec veto. There are some debating points to be made. None the less, the cold, hard, full facts remain that one province has been excluded from this particular agreement—Quebec. And this province, with its referendum, was what gave impetus to the final effort that is now bringing our constitution to Canada.

Mr. Mancini: You want special status, that is what you want. You want special status, that is what you are after.

Mr. Cassidy: The member for Essex South said the New Democrats want special status. I would like to know what he would like because I just have to think that Quebec is a part of this country. Quebec has special status right now. It has special status because of a federal Liberal government.

Quebec has its own pension plan whereas the rest of Canada has the Canada pension plan. Quebec has its own family allowance scheme whereas the rest of Canada has got a separate national family allowance scheme. Quebec has a very distinctive medicare scheme, in many respects better than the rest of Canada's, and we have a different medicare scheme in the rest of Canada. That special status came because of a federal Liberal government's initiatives. The member for Essex South does not appear

prepared to go along with that. If he wants to take that away, that is up to him. I say we should be looking for ways here in Ontario to reach out.

I heard the Premier the other day say, "We did not do anything about section 133 in the BNA Act or in the constitutional accord because Quebec did not ask for it." Quebec did not ask for it, no. But I think the minister should be very much aware that whatever Quebec asked for or did not ask for, they probably thought it was a matter for the people of Ontario to sort out. The people of Ontario, as far as I know, are prepared to see that sorted out if it were not for the political shenanigans of this government.

They are playing political games with fundamental rights of Franco-Ontarians at a time when the Leader of the Opposition (Mr. Smith) and I as the leader of the NDP have made it absolutely crystal clear that we are prepared to support Ontario's adopting section 133. We got nothing but resistance from this government, for reasons which I find extremely difficult to understand, because we are judged in this province in terms of how we deal with our Franco-Ontarians.

5 p.m.

Every time we drag our feet with respect to a school, as in Penetanguishene, the headlines are all over the newspapers in Montreal and in Quebec City. That is a reality. When we finally come ahead and do the decent thing with respect to Penetanguishene, the story may well be put on page 22 of those same newspapers. The reason is clear. We deserve that adverse publicity because of the way in which we have constantly had to be dragged kicking and screaming into providing adequate services for Franco-Ontarians in this province.

That is not the NDP, that is the Conservative government which has been in power for 38 years and which has so frequently and so obviously dragged its feet and indicated that it hurt them so much to simply provide justice for the Franco-Ontarians. To accept section 133 would have a number of important effects. First, it would signal to the people of Quebec the fact that we in Ontario are really interested in the society in which the two solitudes can genuinely come together.

Nothing will be taken from either group in the creation of a society committed to the cultural diversity and richness that is possible here in Canada.

Second, the inclusion of Ontario in section 133 would signal to the federal government the fact that Ontario is determined to help create a

new Canada, a Canada of open and cordial relations between the two partners in the French-English compact.

What a sordid deal there was between Premier Davis and Prime Minister Pierre Elliott Trudeau, député du comté de Mount Royal dans la ville de Montréal dans la province de Québec. What a sordid deal where, in return for getting Ontario's support for the other portions of the constitutional package, Pierre Trudeau, a man who for his entire lifetime has been dedicated to ensuring equality, ensuring full recognition for the French fact in North America, determined that he was prepared to overlook Ontario's resistance to having section 133 apply to this particular province.

If Ontario were now to be prepared to accept 133—and we can do it tomorrow, it is a section of the constitution which can be changed by means of simple legislative resolutions by the province of Ontario and by the Parliament of Canada—if we were to do that it would ensure to the francophone population of Ontario that this province welcomes them, admires them, respects their rights to cultural and linguistic integrity, and wishes to work with them to make them citizens with rights absolutely equal and inviolable here in this province.

But this government, despite repeated demands from the opposition parties, has refused to move in this direction, preferring instead to move by little steps, in quarter measures. It allows the building of a French school here, and then it fights another one for a while there and then it builds it. It extends French court services to the point where the requirements of section 133 are virtually met.

If French is accepted in this Legislature, as it is; if the statutes of Ontario are now being translated into French, as they are; if criminal trials in French are now a right everywhere in the province, as they are if the Attorney General's statement is true; and if 83 per cent of the francophone population of the province will now be served in civil trials and civil courts by French language courts; why on earth are we resisting section 133 which simply guarantees the right of the statutes in French, of debate in this Legislature in French, of courts in French and that is all? I cannot understand it.

That is only one thing that has to be done, but the fact that the government resists it, in my view, a sign of the hypocrisy of this government. I have just had brought to my attention a letter which was sent by the Attorney General to a lady in Haley Station, Ontario, as recently as

October 15, 1981. It came to my attention because of a constituent in Ottawa Centre. Bear in mind that this is the same Attorney General who, at the time the government of Ontario was expressing full support for the charter of rights as put forward in the federal government constitutional package, was doing an undermining operation. He was making an end run around the Premier in order to suggest to the federal officials why he thought the charter of rights was weak and should perhaps be undermined or weakened.

In this letter to the lady in Haley Station, Ontario, the Attorney General refers to what he calls, "the highly skilled and manipulative efforts of Mr. Lévesque to tear this country apart." He says, "It is difficult to understand why those efforts are not more apparent to the public." It is hard to think, if the Attorney General was really intent on building bridges to Quebec, he would use that kind of language in reference to the Premier of that province and the leader of 6.5 million Québécois. Then he has a few nasty comments about Mr. Trudeau. He says, "We do not believe that our sentiments about the Liberal government should prevent us from working for a resolution that in our view is absolutely essential to a united Canada."

The violins come out at this point and he says in a patronizing way: "In short, I am immensely proud of the fact that Ontario has risen above the petty, partisan, political bickering that has characterized much of the constitutional debates. I am confident that history will reflect that Ontario and New Brunswick alone were able to put aside parochial self-interest and work for the interest of all Canadians." When Ontario wraps itself in the flag like that, bedecks itself with a maple leaf, it does not really correspond with the Ontario record, and that is why I say there is real hypocrisy out there.

I had a chance to talk the other day with Mr. Elie Fallu, who is a deputy in the National Assembly of Quebec. He met with the member for Prescott-Russell (Mr. Boudria) and myself and some of the other French-speaking members here at Queen's Park. We talked about Bill 101. I think Quebec is desperately wrong in its rules about signs. I think it is desperately wrong in refusing to allow any Canadian child who wishes to have education in English in that province to have such an education, as we allow education in French to any francophone child resident in Ontario, regardless of where the parents happened to be educated.

On the other hand, he pointed out to me there

are some things to be said about Quebec that we cannot say in Ontario. In Quebec they do not have a rule about English-speaking education where numbers warrant. There are some English-speaking pupils up on the north shore who are actually picked up every Monday by airplane to be flown to a school where they can get their education in English. Then on Friday they are flown back to their homes so they can spend the weekend with their families. The Quebec government is prepared to go to that limit in order to ensure education in English for its anglophone minority. That is something we are certainly not prepared to do at this point in Ontario.

Another point he made was to say, "You know, it is all very well to talk about your French high schools"—and I do not think he was particularly aware of them—"but," he said, "you know, in Montreal, we have for a century had an English-language school board for our linguistic minority. Where in Ontario do you have a French-language school board for your French language minority?" I had to tell him I was sorry but we do not have one.

In the Ottawa region in particular it is long past time. There are 20,000 pupils of the French language and their education is split among four separate school boards. They should be brought under one school board in order to ensure they can get full linguistic equality in the kind of education they need. I believe we should be moving in that direction in other parts of the province—probably not everywhere, but there are other parts of the province where I suspect French-language school boards might also work.

Who appoints the Languages of Instruction Commission of Ontario? The Tory government. Who does it appoint? Alas too often its own cronies, rather than ensuring that people who are legitimate representatives selected by the Franco-Ontarian community are members of that commission.

5:10 p.m.

We should be looking for every means possible to reach out to Quebec. I call to mind that Quebec has had the Quebec government office here for a number of years. It has six, eight, 10 or 12 people in a downtown building. They are doing business with and are reaching out to Ontarians. They are providing cultural services to Ontarians. They are making Quebec known in Ontario. By contrast, our efforts in Quebec are minuscule and piddling.

I have already recalled that the two assemblies have almost no contact; that there are few

contacts between business people, service clubs, youth groups, school groups, groups of women and church groups in our two provinces. There are so few contacts it makes one wonder how on earth we manage to coexist. Where the contacts exist they have overwhelmingly taken place not because of this government but in spite of this government.

We have two provinces which are now facing a danger of economic decline. Our two assemblies should be meeting together, perhaps with joint committees to work together on common economic problems because of the way industry is being sucked out of Montreal, Quebec and Ontario, going to western Canada, the sunbelt states or the Third World.

Our forest industries share common problems. We should be looking for common solutions and using those common problems to find the means of cementing relationships with Quebec. None of that is happening either. Every possible way should be sought by the government of Ontario to demonstrate to the people of Quebec we are doing our best to break down the two solitudes. Alas, it is not happening.

Alors, il faut reconnaître le fait, Monsieur le président, qu'il y a une grosse désaffection dans notre province, et à Québec, et dans le reste du pays, avec le manque des garanties pour les franco-ontariens. Je viens de citer la publicité dans *Le Droit* en novembre qui a indiqué la nature de cette désaffection. Alors, quand vous avez cette situation, quand vous avez une situation, les franco-ontariens ne sont pas prêts, ne comprennent pas exactement ça, qui est la politique de notre gouvernement ontarien et quand ils sont aussi en désaccord avec les conservateurs qui sont le pouvoir dans cette province. Evidemment, ça représente une faillite du parti du gouvernement de la province d'Ontario.

Does this government not understand the nature of its obligations and the pivotal role it must play in building Canadian unity? Does it not understand that for decades there has always been a special kind of relationship between the Premiers of Ontario and Quebec? Robarts and Lesage, Robarts and Johnson, Frost and Duplessis—but what about Davis and Bourassa, Davis and Lévesque? Nothing; rien. There is nothing there at all.

Hon. Mr. Wells: Well, Davis and Bourassa did meet often.

Mr. Cassidy: The minister is grumbling about what I have to say. The fact is that long before René Lévesque came to power the lines between

this province and Quebec were gradually running dry. The relationships were eroding. They were shriveling up and there has been no legitimate and effective effort to try to re-establish them over the course of the last few years.

Premiers Robarts and Frost were concerned to ensure Quebec was not isolated, was always consulted, was always a part of a whole. Where has this Premier and this government been? They have not been there.

Leadership, in my view, means Ontario has to be prepared to move and to understand what the changes are, to prove its openness to French Canadians. I have made a number of suggestions already today. It is still not too late. I hope this government will look closely at its options to ensure that in the 19 or 20 years we have left the twentieth century may really belong to Canada, so that a great and united nation can survive as an example to a world much too divided between races, ideologies and between rich and poor.

I have made a number of other points with respect to the override document and the whole question of human rights. I want to say finally that we must all seek to ensure that the constitution, which is now being passed and which will be home from Westminster by February or March of next year, becomes something more than a piece of paper, and that the provisions and guarantees it contains are there in spirit as well as in law.

Canada is a rich and varied multicultural society. People from all over the world have come here to find a free and economically secure future for themselves and their children. We are justly proud of the contribution we have made in this regard. But part of that richness is due to the fact that people of many cultural backgrounds other than British and French have been able to live here in peace and harmony and have been able to maintain among their children an appreciation of where they came from. This, too, must be maintained and guaranteed.

(Translation from Italian).

To say today that Ontario is multicultural is the truth. But multiculturalism does not end with the simple recognition of this fact. There is a clear role that the government must follow to promote understanding among the diverse ethnocultural communities, including the English and the French. We must recognize that if we deny our cultural patrimony, society will lose its

richness. Multiculturalism in Ontario must not be a law designed to accommodate minorities but the basis of a dynamic society.

(End of translation).

Multiculturalism is not just something for the statutes, Mr. Chairman. It is not something one gives recognition to once or twice a year; it should be the basis of a dynamic society.

We still have to complete a lot of unfinished business with respect to the constitution, and not just with respect to relationships between Quebec and the rest of the country and French-English relations. We have not yet finished the business that was on the formal agenda of the constitutional talks of a year and a half or two years ago. The structure of the senate, federal institutions, the Supreme Court, regional representation in the House of Commons: all of that has yet to be finished.

The way in which our provincial governments, which are now so powerful and so important, will participate in economic decision making within Canada must be resolved. I do not believe the provinces should be excluded any longer as they are excluded right now. I believe what happened at the finance ministers' conference in Halifax was a farce, and the federal government has to bear a lot of the responsibility for making it a farce.

We have to look as well at the whole question of rights, because we have only written half the charter of rights that this country and this province need. It is all very well to have the right to equality, but there is an old saying that rich and poor alike have the freedom to sleep under the bridges of Paris. Rich and poor alike have the right to be unemployed, one supposes, under the charter of rights that has been adopted. Male and female, handicapped and whole, have the right to unemployment, have the right to be without shelter, have the right to be without hope or education. The fact is that economic rights are barely mentioned or recognized in the constitution we have adopted.

I had an opportunity this morning to speak to the economic development task force of the federal New Democratic Party. I told them what had happened at Admiral, what is happening in St. Thomas and in the automobile industry. They said, "That is the most pessimistic brief we have seen in a week and a half of travelling across Canada." I said, "I am sorry, but that is the truth."

We need to ensure that economic rights are not just a dream but a reality here in Ontario, a province that has traditionally been prosperous,

flourishing, dynamic and vigorous. We need rights to jobs. The right to a job was guaranteed in the economic bill of rights I submitted as legislation in this Legislature about a year ago, but it has been ignored by this government, ignored by the 10 Premiers and ignored by the Prime Minister of Canada. That should be in the constitution.

Regarding the right to housing, we learn in the paper today that people are sleeping on straw mats in shelters here in this city. They are sleeping on gratings at city hall the way the clochards used to sleep on the subway gratings in Paris when one visited there 25 years ago. That kind of thing is intolerable in our society, in a decent society, yet there is now a crisis in accommodation where the right to adequate shelter is no longer being guaranteed by governments. I think that should be a constitutional right.

5:20 p.m.

The right to adequate income: what about old people living below the poverty line? The fact is this government turns around and says people should not be discriminated against on the grounds of age. Then the members of the select committee on pensions effectively veto a recommendation that would ensure single pensioners get an income over the poverty line. That speaks to the hypocrisy of this government when it comes to economic rights and social rights.

Access to education: I know the minister's sons and daughters have access to university. I suppose my sons will have access to university if they choose to go there. I know there are a lot of working people across this province whose sons and daughters do not have that right. I know in the city of Toronto, if you happen to be black, the chances are three, four or five times higher that you will be in an opportunity program or a dead-end educational program than if you happen to be of Anglo-Saxon and Canadian origins. That speaks to the fact that the right to education is not a reality. Access to education is not a reality either.

Those things have to be addressed if the constitution of Canada is going to be more than something that just turns on a few constitutional experts, the Deputy Minister of Intergovernmental Affairs and a few of his colleagues, and occasionally forms the subject of a debate here in this Legislature. A constitution should be a vibrant document. It should be a document that expresses the hopes and aspirations, the best instincts of a society. We should adhere to that constitution, not just in law, but also in spirit.

The fault of this government has been its failure to provide leadership, to really come to grips with the Quebec fact and the French fact in Canada and in North America; its failure to reach out to embrace the spirit of what was in the constitution, which failure has contributed to the isolation of Quebec and of French Canadians; and its failure to look to a spirit of equality in economic and social terms, as well as in purely judicial terms, in the charter of rights.

I look to the government to take those areas as priorities on behalf of the people of Ontario and the people of Canada and to start showing some leadership now rather than simply dragging along in the wake of the federal Liberals.

Hon. Mr. Wells: Mr. Chairman, I would like to say a few words in response to some of the things the member for Ottawa Centre has put forward. First, he has indicated one province was excluded from the accord. I think the proper wording is that one province chose not to be part of the accord. Quebec was not excluded by nine other Premiers and the Prime Minister of Canada. Quebec was given every opportunity and encouragement, and things were done to make that accord such that it could be acceptable to that province. I think that has to be made very clear. At no time or in no way during that week of discussions in Ottawa was any definite attempt made to exclude Quebec. I must say rather we got the impression that it—

Mr. Cassidy: What about the Attorney General accusing Lévesque of manipulation as he went in to the negotiations?

Hon. Mr. Wells: I do not think the Attorney General accused Lévesque of manipulation. All I am saying is we got the distinct impression it would not have mattered what we had proposed, there would not have been any agreement.

Mr. Cassidy: Excuse me, Mr. Chairman.

The Deputy Chairman: Is this a point of order?

Mr. Cassidy: The letter quoted by the Attorney General said specifically, "Indeed it is difficult to understand why the highly skilled and manipulative efforts of Mr. Lévesque to tear this country apart are not more apparent to the public." Surely there is a prejudice there, a prejudgement on the part of the Attorney General, who was one of the three key ministers taking part in that session that took place only two weeks later.

Hon. Mr. Wells: Mr. Chairman, that letter is a private letter which, as you said, was sent to a constituent in either your riding or another riding; it was not something the Attorney General said at that time. But I think the general—

Mr. Cassidy: Did it not reflect his state of mind?

Hon. Mr. Wells: No, but the general sentiment around here—I am just looking again at one of our famous Queen's Park correspondents, Claire Hoy, who in one of his columns said he was not happy with Ontario and New Brunswick supporting the Trudeau recommendation. He said, "Wrong as the Trudeau aides are on the constitution, surely the more serious crime is for the silly seven to continue to share a bed with a man dedicated to the destruction of the country." You can claim the Attorney General may have overstated the case but a lot of us have felt, and I am sure even some in your party have felt at some time, that René Lévesque is really dedicated to the destruction of Canada. Do you deny that?

Mr. Cassidy: I am not sure, and I don't think you should go in a prejudiced way, as the Attorney General went.

Hon. Mr. Wells: All right. But the fact is—and I think what has happened this last weekend just emphasizes the point—that René Lévesque and the Parti Québécois want to separate Quebec from Canada.

Mr. Cassidy: His party more than him.

Hon. Mr. Wells: His party more than him. I was particularly shocked that party gathering would extend a standing ovation to a member of the Front de Liberation du Québec—an ovation far exceeding the respect they showed for René Lévesque himself.

I wondered what they were doing when the members of the Palestine Liberation Organization were there, and they extended ovations to the PLO and a few other people, but then when I heard the next day that the FLQ member—I think his name was Jacques Rose—was given a two-minute standing ovation or something, it sounded like a very strange thing to me.

Mr. Cassidy: But where have they been, and how have we not contributed to them over the course of 10 years? That's the problem.

Hon. Mr. Wells: I will get to that in a minute. What I am saying is the party René Lévesque leads, seems—I agree with the member—to be going far beyond what Monsieur Lévesque

himself wants to achieve. That party is greatly dedicated to things that are different from what you or I, and I think most members, want for this country.

We tried very hard to effect an accord in Ottawa, during the first week of November, that would and could include Quebec. When it was finally agreed that we had something that nine provinces and the federal government could sign, the opportunity for Mr. Lévesque to come aboard on the accord was there. He was asked, and I recall he said there were three things in the accord that would not allow him to sign it.

I am just going by memory but as I recall the three things were:

First of all, in the amending formula, Quebec had agreed to the amending formula if it had full compensation if they opted out, and that was not there.

He then said he did not like the mobility rights section. To this day I am not sure what he did not like about the mobility rights section. When we asked him, as I recall, he started talking about tendering practices in the province and the desire to award contracts to Quebec firms that tendered on jobs in Quebec. This is not what the mobility section is all about. I am not quite sure what he was worried about in the mobility section, which was changed in order to accommodate some of the concerns of Newfoundland.

The third thing was in the minority language education section. He did not feel that should be imposed upon Quebec.

He was given every opportunity, and we all urged him to accept, but he did not accept the opportunity to sign the accord at that time. In the interval, listening to other voices from Quebec, certain changes were made in the resolution as signed on the Thursday when the accord was reached. They did not go quite as far as the Premier of Quebec wanted, but they certainly went a long way and met the concerns of other reasonable people in Quebec.

5:30 p.m.

First, there was fiscal compensation for any educational or cultural program which one opted out of. Mobility rights were left the same. The minority language education section had what is called "the Canada clause" which meant that people who were educated in English in Canada would be entitled to go to English-language schools, but new immigrants to this country who ended up in Quebec would not be entitled to that language option.

Most of us who were consulted felt those were

reasonable extensions of some changes of the actual accord that was signed on that Thursday, things that were not in then but which were accepted afterwards. That in itself shows a degree of good faith on the part of the others who would have liked to have had René Lévesque sign the accord also, but who, many of us believed, felt there was nothing we could do to bring him along. The point has to be made. A number of people in Quebec would see this constitutional package and the things in it as being acceptable to them.

I would like to talk a bit about the relationships between this province and Quebec. I regret the member for Ottawa Centre has downplayed the relationship this province had during the 1970s. I think he is wrong. The spectacular public acknowledgement of the John Robarts-Daniel Johnson relationship was never there for the relationship between this Premier and Robert Bourassa. There was that bond of friendship and relationship until 1976. It permeated not only the top but all levels of this government.

To give an illustration, I happened to be sitting at dinner the other night beside Victor Goldbloom who used to be Minister of the Environment in the Bourassa government. He asked me how George Kerr was because he and George Kerr, who had been Ontario's Minister of the Environment, had had a very close working relationship for a number of years when they were both environment ministers. That relationship extended throughout all areas of this government.

I recall the very close relationship I had with the Minister of Education in Quebec for a number of years when I was Minister of Education in this province. Those kinds of relationships have existed. They do not exist to the same degree at the present time, not because of something on our part but because of this strong ideological difference about the future of Canada that is held by the government of Quebec.

It in itself builds a chasm between us, and makes it much more difficult to operate. It is very difficult to side with people who are one's political opponents, who are on the other side arguing against a referendum that one's government is putting forward, and then to build up that bridge of relationships, the kind we used to have prior to 1976 and all through the 60s.

It has not diminished or caused us to break down any of the formal arrangements that are there. The Ontario-Quebec permanent com-

mission that was signed in 1969 and set up in 1970 is still in operation. It is co-chaired by my deputy minister, Don Stevenson, and the Deputy Minister of Intergovernmental Affairs, Robert Normand, of Quebec. It engages in a number of projects, and these are still going on.

We put in about \$871,000. It has to do with secondary student three-month exchanges, Ontario-Quebec class twinning programs, teacher exchanges, post-secondary exchanges, co-operation in adult education and, at the university level, exchange fellowships, university exchange projects, journalism student exchanges, student summer job exchanges and so forth. None of them are big programs. Some of them involve perhaps one or two; the student summer employment exchange involves 100. But all of them were initiated jointly as part of the kind of thing the member is talking about.

Mr. Stokes: Too bad we could not dedicate some of those funds to a better exposure for our native people in the far north.

Hon. Mr. Wells: I would not be opposed to that.

Mr. Stokes: I have raised that with your colleague the Minister of Education (Miss Stephenson).

Hon. Mr. Wells: I would not be opposed to that, but at the moment I am just talking about what is happening between our provinces and the fact that we do have mechanisms set up like the Ontario-Quebec permanent commission on cultural and educational matters, and these things have been going ahead.

Mr. Nixon: It sounds like a dining and chowder society to me.

Hon. Mr. Wells: If you have not eaten down in the Quebec National Assembly you should get yourself invited down there to have a meal. Of course, you are going to have to list that as a taxable benefit next year.

Some of the relationships that have occurred at the ministerial level and so forth have unquestionably been hindered by the political events that have been going on and the policies and the vast difference between the approach to the future of Canada that our party has and that which the people in the government of Quebec have.

On the other hand, and I suppose this is our federal system in this country, we spend a lot of time discussing matters with people like Jean Chrétien and others who represent Quebec, who represent the aspirations and desires of the people just as much as people elected at the

provincial level do, and who express those to us. We work with them also. The name Serge Joyal comes to mind. There is a whole group of people who have been working hard on this constitutional endeavour who must also be said to represent the feelings and aspirations of the people of Quebec.

I was moved, as I know many were, when that constitutional resolution was passed in the House and at least 72 or 73 of the Quebec members jumped up to sing, and certainly the prevailing sound I heard over the television was the French version of "O Canada."

Mr. Nixon: They saw themselves described as traitors in the newspapers the next day. It was appalling.

Hon. Mr. Wells: Yes. I think it was disgusting that they should be described as traitors, because they were not traitors; they were fine Canadians.

Mr. Nixon: Mr. Chairman, I have already had an opportunity to say a few words about the constitutional matter, and I hope you will permit a question or two on the financing of the ministry.

I just want to draw two or three things to the minister's attention. I continue to be very impressed with the fact that the deputy minister is able to provide his services for only \$64,600 as of last March. That is something I am a bit unreconstructed on. I really do feel that the salaries of our senior people and of those in senior positions at the municipal and education levels have become too high in this province and in the municipalities.

I express concern about that because we seem to have allowed ourselves to be fitted into some sort of machine, a structure over which we have absolutely no control. We have a number of procedures now which dictate changes that seem to be automatic, and I really believe that for all of the competence and ability of the civil service, senior and otherwise, our salaries are getting pretty high. The fact that they are higher in Alberta or elsewhere does not cut very much ice with me.

I also notice from the public accounts that the minister spent almost \$25,000 on travel, which sounds a little bit luxurious and expensive. I simply express that view. The minister might want to say something about it.

5:40 p.m.

We spent \$177,000 with Foster Advertising. I am not sure what the programs were, but I noticed recently that somebody in the advertis-

ing business said governments at all levels are now the greatest spenders of advertising dollars in North America. Frankly, I wish they would leave it with the underarm deodorant crowd and the other group that has something a little more saleable to put forward. I believe the move by all governments towards the financing of expensive advertising programs is reprehensible, and I would hope the minister would do something about it.

An item of \$45,000 payable to Goldfarb Consultants I find even more offensive. We know the government, by agreement of the cabinet, made public the results of many of the public opinion polls commissioned with public funds, but I believe the one done by this ministry was not made public. I am not sure about that, and it may very well be the one paid for by this \$45,000 to Mr. Goldfarb. God only knows what he recommended. Having observed polling companies, and Goldfarb Consultants in particular, over a good long period of time, I sometimes feel they recommend what the consultant wants to know.

But when we see certain stands taken by the government in the Ministry of Intergovernmental Affairs, the Premier's stand with regard to the provision of French services and so on, we have the definite feeling that he has the confidence that seems to be instilled in him only when he gets the kind of poll he wants to hear.

Dineley Limited, a constituent of the minister's, \$45,000; I am not sure what that was for. Perhaps the minister could tell us. One of the matters that did concern me and I did intend to speak about was the distribution of government hospitality. One of the dinners was the Chief Harold Adamson farewell dinner at \$5,135. I can recall very well when that occurred because the Attorney General once again, and he seems to be getting more and more into the habit of this, was the actual host of the dinner. This minister may have paid the bill but the Attorney General went out of his way to see that only Tories from all levels were invited and then made the kind of speech we have grown used to from the Attorney General.

He said to the departing chief, who I guess left with his Group of Seven painting under his arm, and the other police-oriented citizens who were there, that the Conservative Party was the only party interested in supporting the police and everybody there drew the inference, which was certainly the implication the Attorney General wanted to make, that the other political parties

were not in support of the police. I can remember being absolutely infuriated at the time.

Frankly, I do not like to spend too much time going to public dinners, although from time to time I do enjoy a good meal, but I felt at the time that something strange had happened to government policy in the last few years. I recall, as Leader of the Opposition when John Robarts was running the show, he always went out of his way through his protocol office to see that the opposition and the NDP were represented at public dinners. As a matter of fact, we were always asked to be present at the head table, because when public funds are being used to honour important individuals or to give some hospitality to important organizations, I think it is an incorrect assumption to presume, however much evidence to the contrary, that everybody there is a good little Tory and an enthusiastic supporter of the government.

I say this with the feeling that my days of being invited to the head table are no doubt over, and it has got nothing to do with anything other than the proper utilization of public funds for hospitality. I was particularly offended about the Harold Adamson deal because of the speech the Attorney General was reported to have made.

I notice there is a goodbye dinner for Dr. Robert McMichael at \$11,295. Did you present him with a gold watch and expect him to disappear into the sunset and leave you people in full control of all those paintings you decided you were going to distribute according to your own likes? He certainly did not get the message, although one would think for a dinner that cost \$11,000—which as far as I know, nobody in the opposition ever heard about—you certainly were not well served by the expenditure of that money.

We look down this list and see that Honourable Michael Starr received a retirement dinner for \$10,442. That was after he had left his former political career and had come here as chairman of the Workmen's Compensation Board. I felt he did a good job, except you had retired him at a \$10,000 dinner and immediately reappointed him to the liquor board. If you are going to retire somebody with that kind of panoply, you might as well leave him at home collecting his spectrum of retirement cheques that must come in at the end of every month.

I really did feel badly that I missed the International Fermentation Symposium reception. You got that for only \$2,700. I want to

indicate, not my personal displeasure at not being asked to all your fun feeds, but that somebody over there has somehow missed the point of including the opposition parties, their leaders or their representatives at important functions.

The one I really had in mind was when Her Majesty the Queen Mother was here last summer. It was a very fine occasion indeed. All members were able to bring their chief fund raisers and others to the Canadian Room and hear the Premier speak en français at length. It was a giveaway, I thought, to his nonpensionable future that he was talking about national unity in French for more than the usual short paragraph.

I particularly noticed there was not a single opposition member at the head table, even though it was an occasion when Her Majesty was a special guest. I believe that is a distinct departure from the procedures and customs we have known for a good long time.

There is one other thing I want to mention in passing. I notice in the briefing notes of the estimates the overseas offices come under the deputy minister. Are these the offices like Ontario House and so on?

Hon. Mr. Wells: No.

Mr. Nixon: They are not; just Brussels?

Hon. Mr. Wells: Brussels and Paris.

Mr. Nixon: The minister indicates Brussels and Paris. I am not sure why those offices would be separated from the other offices which evidently have a trade purpose. I wanted to express a personal opinion about the overseas offices. I have not had the opportunity to go to Brussels or Paris to inspect those offices, but that opportunity might come at some later date.

I have always felt in our system of Confederation we should be able to make use of the facilities established on behalf of all the citizens of Canada by the government of Canada. I believe by making use of those facilities we would not necessarily have to approve or support every initiative taken by the ambassador or the high commissioner, as the case might be.

I think in many respects these overseas offices have simply turned into travel agencies for the ministers with a special hot line, an open line to the booking agency for the Concorde so the trade minister can get back and forth to Europe without wasting any of his valuable time.

I have been to Ontario House. As a matter of

fact, the former leader of the NDP, the member for York South (Mr. MacDonald) and myself were asked by the former Premier to accompany him on a celebration of the one hundredth anniversary of Ontario House. The fact we attended at the request of the Premier does not really mean I support the concept of the facility. It is somewhat similar to the establishment of new facilities in Paris and Brussels.

I do not know why we should get the idea we are a sovereign state within a sovereign state. I do not believe we should always presume that the initiatives of the government of Canada are inimical, if that is the word, to those of the government of Ontario. Surely there would be a saving of personnel and dollars if we would undertake a process of co-operation rather than competition.

5:50 p.m.

The ministers inform me that these offices are financed under at least two ministries and perhaps three. I just want to express my opposition to the proliferation of these facilities outside of Ontario when I believe we can be represented by the government of Canada and we can even ask for an independent position if we want to sell Leamington tomato paste in opposition to eastern township tomato paste. It is quite possible for us to do that without insisting on the more or less independent position that has been an earmark of the Conservative years with all of its adjuncts of gracious travel by the cabinet ministers and which I feel is really a substantial waste of public dollars.

Mr. Stokes: I have listened with great interest to what the member for Brant-Oxford-Norfolk has had to say with regard to the expenditure of funds associated with this ministry.

Having been in a position to know how important it is that we maintain a relationship with not only people within the Commonwealth but other countries that are less fortunate than ourselves, I think it is absolutely essential that we keep an open door policy for people who for a variety of reasons choose to visit Canada, Ontario and Toronto. Because while I will not say we are world leaders in a lot of fields, I think Ontario, particularly this assembly, is seen as taking a very important leadership role in the promotion of parliamentary democracy, in being willing to share our experience over the last 114 years with those nations who are coming off a system of government of the extreme right or the extreme left. I can think particularly of

countries like Ghana, and other African states which for a variety of reasons have expressed a desire to visit us here in Ontario.

The kinds of dollars that are spent either through the sessional requirements of the Office of the Assembly, or indeed in co-operation with the protocol office of this ministry, I think are dollars extremely well spent. While I agree with the member for Brant-Oxford-Norfolk that we should not perceive ourselves as a sovereign state, I do not see this minister and this ministry approaching our relationship with other countries in that light. I see this as a willingness by this minister and this ministry to be of assistance to those people who are crying out for that kind of leadership, looking for the way in which they would set up their parliamentary structures in such a way that they can truly have a parliamentary, democratic institution. I would not quarrel with any dollars that are being spent in that regard at all.

The member who has just spoken read some figures from the public accounts. One would question whether or not it was money well spent to put on an \$11,000 dinner for somebody who happened to have made a contribution several years ago towards art and culture in this province. I do not really think that is the best way to spend money, but I do subscribe to the idea of assisting those nations in the Third World, particularly in the Cari-Com community where I know Canada and Ontario are held in very high regard.

An hon. member: Where is that?

Mr. Stokes: That is the economic union of Caribbean countries.

When we had an opportunity to visit Barbados, I had the privilege of seeing the way in which Canadian International Development Agency money is being spent to build a new international airport; to see ways in which they have put up one of the most modern flour mills anywhere in the world as a result of federal government assistance; to see the way in which Canadian dollars are being used in those emerging countries to give them the wherewithal to improve their economies so that eventually they would be in a better position to purchase a lot of the things we are able to produce so far in excess of our ability to consume.

I think it is not only a question of us being our brother's keeper, but our brother's brother. We know the economic situation that Canada, the United States and the world community finds themselves in at this time. If we do not want to

do that kind of thing for strictly moral reasons, if we want to look at it from a selfish perspective, the only way that Canada is going to continue to grow and prosper is by being competitive in world markets, by making it possible for those nations in the Third World to develop their own resources to the extent that they have the financial resources to buy what we can produce so far in excess of our ability to consume.

Any dollars that are being spent within this ministry to foster that kind of understanding, that kind of co-operation, I am all for. I do not think it is a matter of sovereignty at all. I think it is a matter of Ontario, as one of the most affluent jurisdictions in the richest country on the face of the earth, having a moral obligation to do that.

The minister spoke about ways in which this ministry and this government through this ministry is assisting Third World countries by way of providing educational expertise and human resources to assist those people who so badly need the kind of education and the kind of skilled labour that is essential for them to compete in world markets. I had a conversation with the Minister of Health (Mr. Timbrell) during those estimates and found out that a substantial amount of dollars were being made available for that purpose.

I just want to share with the minister and other members of the House my impressions of a conference that was held in the South Indian Ocean in 1976, in Mauritius, where one of the items on the agenda—apart from peace and security in the Indian Ocean, the commodities market—was the brain drain from the have-not countries to the developed countries, like the United Kingdom, like many countries in western Europe, Canada and the United States.

Of course, we look at the percentage of our gross national product that we allocate to helping Third World and developing countries. On a dollar basis, if one looks at the total Canada dedicates to that, and if, in return, one makes a comparison with the loss to those countries as a result of their spending very precious financial resources to educate doctors, dentists, lawyers, engineers and all sorts of professional people, only to find that after a few years they have migrated to all of the developed countries, they can make a very convincing case in that exchange between our sending those aid dollars to those developing countries. If one compares our dollars with their loss of their most precious resource, that is their educated

people, to countries such as Canada, it is clear that we are the beneficiaries of that exchange.

Anybody in Canada who feels that we as a nation are assisting to the extent that we should must keep in mind that in the total exchange of human resources from the developing countries to the developed countries they can make an excellent case that we are the beneficiaries of that exchange. So if the minister thinks everything Canada and Ontario are doing is commensurate with the responsibility we really and truly have to those countries he is deluding himself.

6 p.m.

If the minister looks at some of the speeches made by Sonny Ramphale, the secretary general of the Commonwealth Parliamentary Association, I think he will have all the proof he needs to come to this assembly and ask for more dollars to assist those people in the way he has indicated he is doing with the kind of funds he is asking for in these estimates. I applaud anything in that regard because we do have that responsibility, and I urge the minister not only to continue it but to add to it. It is so badly needed.

The Deputy Chairman: There are 14 minutes

left in committee, and it being six of the clock I do now leave the chair until 8 o'clock tonight.

Mr. Nixon: We are prepared to discharge the estimate if you want to.

The Deputy Chairman: Are there any other speakers?

Ms. Bryden: Mr. Chairman, we are prepared to forgo the 14 minutes; it is very hard to divide that between two opposition parties anyway. But I would like to express my regret that so little time was spent on the actual estimates of the ministry because so much time was spent on the constitution. I think we have to debate the constitution, but I think this was the wrong vehicle for it.

The Deputy Chairman: Shall we proceed with the votes? Agreed.

Vote 601 agreed to.

Vote 602 agreed to.

The Deputy Chairman: This completes the estimates of the Ministry of Intergovernmental Affairs.

On motion by Hon. Mr. Wells the committee of supply reported certain resolutions.

The House recessed at 6:03 p.m.

CONTENTS

Monday, December 7, 1981

Oral questions

Bennett, Hon. C. F., Minister of Municipal Affairs and Housing:	
Rental construction loan program , Mr. R. F. Johnston, Mr. Philip, Mr. Sweeney.	4262
Davis, Hon. W. G., Premier:	
Hospital services , Mr. Cassidy.	4258
Henderson, Hon. L. C., Minister of Agriculture and Food:	
Cow-calf stabilization payments , Mr. Pollock.	4263
Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics:	
Ontario energy investment , Mr. Smith, Mr. Cassidy.	4254
Norton, Hon. K. C., Minister of the Environment:	
Huneault dump site , Mr. Boudria, Mr. Kerrio.	4261
Anchor Cap and Closure emissions , Mr. Ruprecht, Mr. Kerrio.	4264
Snow, Hon. J. W., Minister of Transportation and Communications:	
Toronto ICTS line , Mr. Smith, Mr. Cassidy.	4253
Timbrell, Hon. D. R., Minister of Health:	
Queen Street Mental Health Centre , Mr. Cassidy, Mr. Ruprecht.	4259
Children's mental health services , Mr. Cooke.	4265

First readings

Revised Statutes Confirmation Act , Bill 184, Mr. McMurtry, agreed to.	4267
Revised Statutes Amendment Act , Bill 185, Mr. McMurtry, agreed to.	4267
Surrogate Courts Amendment Act , Bill 186, Mr. McMurtry, agreed to.	4267
Expropriations Amendment Act , Bill 187, Mr. Kennedy, agreed to.	4267
Armenian Community Centre Act , Bill Pr45, Mr. Williams, agreed to.	4267

Committee of supply

Estimates, Ministry of Intergovernmental Affairs , Mr. Wells, agreed to.	4293
---	------

Other business

Provincial Auditor's report , Mr. Speaker.	4253
Business of the House , Mr. Speaker.	4253
Withdrawal of remarks , Mr. MacDonald, Mr. Smith, Mr. Davis.	4256
Wintario grants , Mr. O'Neil, Mr. Baetz.	4257
Use of time in question period , Mr. Cassidy.	4258
Tribute to Donald C. MacDonald , Mr. Cassidy.	4258
Wintario grants , Mr. Eakins.	4264
Wintario grants , Mr. Eakins, Mr. O'Neil, Mr. Cunningham.	4266
Ontario Hockey Association , Mr. Breaugh.	4266
Answers to questions on Notice Paper , Mr. Wells, tabled.	4267
Recess	4293

SPEAKERS IN THIS ISSUE

Baetz, Hon. R. C.; Minister of Culture and Recreation (Ottawa West PC)
Bennett, Hon. C. F.; Minister of Municipal Affairs and Housing (Ottawa South PC)
Boudria, D. (Prescott-Russell L)
Bradley, J. J. (St. Catharines L)
Breagh, M. J. (Oshawa NDP)
Bryden, M. H. (Beaches-Woodbine NDP)
Cassidy, M. (Ottawa Centre NDP)
Cooke, D. S. (Windsor-Riverside NDP)
Cousens, D.; Deputy Chairman (York Centre PC)
Cunningham, E. G. (Wentworth North L)
Cureatz, S. L.; Chairman (Durham East PC)
Davis, Hon. W. G.; Premier (Brampton PC)
Eakins, J. F. (Victoria-Haliburton L)
Henderson, Hon. L. C.; Minister of Agriculture and Food (Lambton PC)
Johnston, R. F. (Scarborough West NDP)
Kerio, V. G. (Niagara Falls L)
MacDonald, D. C. (York South NDP)
Mancini, R. (Essex South L)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Norton, Hon. K. C.; Minister of the Environment (Kingston and the Islands PC)
O'Neil, H. P. (Quinte L)
Philip, E. T. (Etobicoke NDP)
Pollock, J. (Hastings-Peterborough PC)
Reid, T. P. (Rainy River L-Lab.)
Rotenberg, D. (Wilson Heights PC)
Ruprecht, T. (Parkdale L)
Samis, G. R. (Cornwall NDP)
Smith, S. L. (Hamilton West L)
Snow, Hon. J. W.; Minister of Transportation and Communications (Oakville PC)
Stokes, J. E. (Lake Nipigon NDP)
Sweeney, J. (Kitchener-Wilmot L)
Timbrell, Hon. D. R.; Minister of Health (Don Mills PC)
Turner, Hon. J. M.; Speaker (Peterborough PC)
Wells, Hon. T. L.; Minister of Intergovernmental Affairs (Scarborough North PC)



BINDING SECT. JUN 28 1982

